PRESS CONFERENCES

of

THE PRESIDENT

1933 -- July 1 to Dec. 31

Henry M. Kannee,
Official Reporter.

CONFIDENTIAL
Press Conference #31
Executive Offices of the White House

July 5, 1933, 12.00 Noon.

THE PRESIDENT: There is only one bad piece of news today that I know of. It will have to be corrected and I am taking immediate steps. I found this morning that I had put on seven pounds and have to take drastic measures to get it off. However, that will not be referred to London.

Q What is the total weight?

THE PRESIDENT: About 181 pounds, I am sorry to say. That is bad; I have to get it down to 174 pounds.

Q How are you going to get it down?

THE PRESIDENT: Eat less.

Q How about swimming?

THE PRESIDENT: Oh, yes; I will take off some swimming. But, mostly, plain not eating so much.

I don't think there is any particular news. I have been trying to catch up yesterday and today. I have just been reading and listening to various things and of course on the International thing, I think Mac (Mr. McIntyre) told you last night that we have been in pretty close touch with London the past week, wiring back and forth. I talked with Secretary Hull this morning on the phone and, of course, on those things any news has got to break from London, so there we are.

Q What about these reports that you are putting forth new proposals?

THE PRESIDENT: Anything at all has to come out of London.

Q Will it come today, do you think, Mr. President?

THE PRESIDENT: I don't know.

Q Are you sending any new instructions to London, Mr. President?

THE PRESIDENT: No, I simply cannot talk about it. Off the record, it is easy to write a story and say, "new instructions". Of course, it is not true. There have never been any instructions. We have talked the thing over by cable and telephone but there have never been any instructions.

Q It is already off the Agenda. It couldn't be anything different?

THE PRESIDENT: Not unless taken up by unanimous consent over there.

Q You said off the record last night that you hoped that the conference would continue?

THE PRESIDENT: Still hope this morning.

Q Cannot you say something that would put you on record?

THE PRESIDENT: That is all I can say; what I told them over there and what they told me from over there. That is about all there is. I don't think you can put it one way or the other. All I can say is that I hope the conference will continue.

Q The European nations don't think they can talk tariffs unless stabilization is taken care of first. What do you think about that?

THE PRESIDENT: I don't know that this is the time to go into it. It is a long, long story. It comes back to the definition of the word. Suppose we talk about this off the record so it won't be attributed in any way to official sources, but just your own information. The whole question comes down to the word "stabilization". We have a very different thought about the definition of the word than do some of the Continental -- not Europe, but a few of the Continental countries. In other words, they, in their economics, in those countries, they are, very properly, very much concerned with the current rate of exchange on their own currency in terms of other currency. To them that is important. To us it is not important. We are looking, fundamentally, for a different form of stabilization; in other words, a stabilization that will be based on a more or less equivalent price level in each country for X amount of goods. I hope that eventually each country in the world will have a currency which will be stable within its own domestic purchasing power.

Now, if you arrive at that objective in the world, automatically almost the exchange value of those currencies in terms of other currencies will become more or less stable. Then there is the other side of the picture: As I said, some of those countries are very much concerned with a temporary exchange value of their currencies in terms of other currencies and they seek to have us enter into a thing which is not really on the Agenda at all and that is an agreement between five or six nations out of the 66 present to set up some kind of a fund, a special fund, temporarily to control the exchange fluctuation. Now, our primary objection to that method, if we are asked to participate in that fund, is that morally we would be obligated, in case that fund called for large withdrawals of gold from this country, to let down the bars on the export of gold that we have in this country. Well, we are not willing to do that at the present time. We have seen, for example, the fact that England has been, socalled, off the gold standard for a year and ten months, and they are not ready to stabilize yet. We have seen France, a few years ago, go off the gold standard and stay off the gold standard for nearly four years. We have only been off for three months. We haven't had time to turn around. We don't know, exactly like England, what to do next. There is one little item I think that is worth calling attention to. It is in one of the papers this morning. It is an A.P. story.

Q It is all right then.

THE PRESIDENT: (Reading) "A Government spokesman" -- this is from London -- "would not give a direct answer when asked in the House of Commons today" -- and the House of Commons is a little like a Press Conference -- "that sterling would not be advanced with gold. Mr. Hore-Belisha, Financial Secretary-Treasurer, speaking for Neville Chamberlain, Financier of the Exchequer, said that, 'although a return to the gold standard might be our ultimate objective' -- mind you, this was said yesterday in England, this is the British Government point of view -- 'although a return to the gold standard might be our ultimate objective, when proper conditions were assured, we must reserve complete liberty to choose both our own time and parity. He does not think he can usefully add anything to that statement now.'"

THE PRESIDENT: Background is all right.

Q Will you give me an explanation of how this stabilization of the dollar with reference to commodities can be brought about -- this future stabilization that you speak of?

THE PRESIDENT: I will put it this way: The easiest way is to give you an analogy. During the last Session we were all in favor, the Administration and the Congress, in favor of shorter hours of work in order to put more people back to work. Senator Black put in a bill which only had one paragraph in it and it said that nobody could work more than 30 hours a week. Now, that was doing by what might be called fiat, without knowing the effect of it or without considering the effect of it, laying down definite hard and fast terms. We took the objective of the Black Bill and Congress wrote the Industrial Control Act, which is so broad that it enables us in each industry to determine what the hours of work should be and to determine what the hours should be in the north and south and to determine the concentration in terms of a minimum wage. In other words, it is an elastic bill that gives discretion and authority to carry out the objective along all kinds of different lines as the need arises but with a perfectly definite principle in mind. Well, it is the same way when trying to make the dollar retain the same purchasing value when we have it to the desired point. And it will probably, as in the Industrial Control Bill, have a great many different factors and methods of arriving at the result.

Q Would it be linked to the index price of commodities, for instance?

THE PRESIDENT: There again you are talking in terms of the Black Bill. Not necessarily in terms of a fixed index but the objective would be to have the dollar buy substantially, in general, the same general amount of commodities. You can't say "commodities" because I can come back at you and say, "what commodities, the 10 leading commodities or the 750 commodities?" Then you get into detail. I don't know. I have a perfectly definite objective but, as to the machinery, we will probably use half a dozen different kinds of machinery.

Q Have you the purchasing power of any particular date in mind?

THE PRESIDENT: No. Of course we are working on that and discussing it at the present time. You cannot get any one date for everything that will be absolutely fair for every other item. Some products, along certain lines, Yet, they talk on the other side about our being vague and they have been off for nearly two years. Now, that is the easiest way of explaining it. We are not ready to export gold. We are not ready to make any kind of an agreement by which we would morally obligate ourselves to export gold at this time and we are not ready to go along on the creation of some kind of stabilization fund which might obligate us to export gold. Now that, really, is the whole thing in a nutshell.

Q It was suggested that central banks might operate in that situation independent of the Government?

THE PRESIDENT: Central banks on the other side? I haven't the slightest idea.

Q And the Federal Reserve Board on our side?

THE PRESIDENT: That brings up the question whether the Federal Reserve Bank in New York legally has the authority to speculate in exchange.

Q Do you think it has?

THE PRESIDENT: Probably not, because the money of the Federal Reserve Banks belongs to the constituent banks that make up the Federal Reserve Bank in the district.

Q How are we to use this?

MR. EARLY: You first said it was off the record and then as not coming from any official source?

are best averaged in 1928 and 1929; other products might go back ten or fifteen years ago. We would have to average the thing up.

Q We used to use 1926?

THE PRESIDENT: There again, all I can tell you on that is that there are different schools of thought.

Q On such a basis as you suggest, Mr. President, there could not be any international standards, could there?

THE PRESIDENT: What?

Q On such a basis for the dollar there could not be a uniform international standard?

THE PRESIDENT: There could not be?

Q I am asking.

THE PRESIDENT: Of course not. You cannot have a perfect, definite fixed range for all nations because economic conditions vary in a nation. For instance -- this you will have to use entirely off the record because it relates to one specific country -- Japan during the past year has undertaken a very drastic change in her economic life and they have done it because they have believed that it was worth while doing it in order to flood the markets of the world at almost any price in order to bring in the money of other nations. For instance, just to give an example, the wage scale in

Japanese factories has dropped away down. They are putting out sneakers in this country at 12½ cents a pair. They are putting out rubber boots in this country at 25 cents a pair. It is a perfectly definite national policy of cutting their own wages so low so that they can flood the markets of the world and get in outside money at any cost. Therefore, as long as any nation can do that, and nations will continue to do it when changing their economic life, you cannot have a perfectly definite fixed ratio of exchange between nations.

Q Do you think it possible to enter into any reciprocal treaties at the present time?

THE PRESIDENT: I hope so.

Q Won't they work against your domestic policy here?

THE PRESIDENT: No.

Q Would the stability of the dollar in relation to commodities require additional shifts in the gold content of the dollar?

THE PRESIDENT: Not of necessity. There you come down to another -- all this is perfectly terrible because it is all pure theory, when you come down to it. The situation of some of the European nations is that gold in the future should be used not as a collateral behind currency at all but that it should be used purely as a medium of international exchange to pay debits and credits between countries in international trade. I think our situation is just the reverse of that and that is that gold should continue, and silver, to be used as collateral behind paper currencies and among the instructions to our delegates when they first went over there was a clause that brought out our point of view that gold perhaps should exist in the future only in the form of bullion and that that bullion should be Government-owned and kept within the nation and not shifted to and fro on steamships; that it should be kept within the nation as permanent collateral behind national currency. Now you see you have two absolutely opposite thoughts for the future on that and we don't go along with the idea that gold should be used for international trade.

Q Is this something like the Fisher Commodity Index Dollar?

THE PRESIDENT: I haven't the faintest idea; I don't know.

Q Well, that is the Commodity Index Dollar that seems to have been described?

THE PRESIDENT: I don't know.

Q You would settle international balances under the American plan?

THE PRESIDENT: Of course we are seeking, in so far as possible, to have trade balances within any one nation as even as possible as between exports and imports.

Q We still have a tremendous favorable balance?

THE PRESIDENT: It is very small, in fact almost equal. For the last few years our export balance over imports has been almost negligible.

Q Mr. President, will you tell us if you propose to approve the Textile Code today or this week?

THE PRESIDENT: I haven't seen it or taken it up at all. I am having Secretary Ickes and Secretary Roper over for lunch and we will go into industrial rehabilitation.

Q Recovery?

Q Industrial control?

THE PRESIDENT: Who said control?

Q Recovery?

THE PRESIDENT: Do they call it control, now?

Q They would like to. (Laughter)

THE PRESIDENT: Industrial rehabilitation and public works. We will begin to talk about it at lunch today, for the first time.

Q Have you seen General Johnson?

THE PRESIDENT: Nobody at all. The only person I saw was Bill Phillip~~p~~s.

Q Will you see General Johnson today?

THE PRESIDENT: I don't know.

Q There is another subject of interest to local papers. During the last ten days or two weeks there have been some 3,000 or 4,000 people dropped and there has been some talk of restoring them in the emergency activites up under civil service.

THE PRESIDENT: I will have to get a report from the Committee of the Cabinet who are working on the thing at the present time.

Q Secretary Roper?

THE PRESIDENT: He is heading it up.

Q How about the projects under Public Works?

THE PRESIDENT: I haven't seen the list. The Secretary of the Interior brought me a stack that high (indicating) of projects on the Indianapolis and I did not have time to read them.

Q In discussing Col. Sawyer, you called him "Temporary Administrator".

THE PRESIDENT: Yes.

Q Is there likely to be an appointment to that?

THE PRESIDENT: I don't know; I haven't taken it up at all.

Q Is there any intention of cutting down the Public Works program?

THE PRESIDENT: I haven't any idea.

Q There has been a loan made to Russia and there has been a discussion that it is the first step toward recognition. Is that in your mind?

THE PRESIDENT: I haven't heard a word about it until I saw the dispatch from London.

Q The Postmaster General told us repeatedly that you were going to appoint the District Commissioners within two or three days.

THE PRESIDENT: It would be safe to say that I hope to within two or three weeks.

Q Doesn't this managed currency scheme of ours result in permanent stabilization of the dollar at any time at any fixed rate?

THE PRESIDENT: I don't know; that is a trick. It depends again on the definition of the word "stabilization".

Q I mean fixing the dollar at a fixed price in relation to other countries.

THE PRESIDENT: I don't know.

Q Mr. President, under the American plan of no transfer of -- (interrupted)

THE PRESIDENT: That is the present stand, that is all. I don't say that possibly we will keep all the gold here. Right on that line, you will notice in my message to our delegation of July 3 that I had one sentence to the effect that we were not ready to export gold but that if and when we had a substantial stabilization of economics and currencies within other nations, that that would be time enough to talk about any re-distribution of the world's gold. You see France and ourselves have got, roughly, 7 billions out of the total of 11 billion dollars of gold. Well, suppose some country came along and said, "we are going to have a perfectly stabilized currency from now on within our own borders with a gold reserve." Is there any way in which we can get part of the French gold or our gold to help them set up such a currency? That is a perfectly safe question to ask because it will help put that country on its feet but, on the other hand, we would have to have some sort of an agreement from them.

Q If the London conference shows definite signs of going on the rocks as a result of this stabilization, would that change the Administration's attitude?

THE PRESIDENT: Don't put it that way. We don't think it is going on the rocks.

Q Give us a reason.

THE PRESIDENT: Just personally hopeful.

Q Some southern states are going to vote on Prohibition Repeal. Are you going to say something to them?

THE PRESIDENT: We are still hoping.

Q Have you any reason to believe the Federal Reserve Bank in New York is engaged in operations to steady the dollar?

THE PRESIDENT: I am sure they are not; of course that is a guess on my part.

Q Are these appointments coming through pretty soon. Mr. Farley said you would have some appointments soon?

THE PRESIDENT: Yes, but not until next week. I told Jim I would not have time until he gets back on Monday.

(The Press Conference adjourned at 12.20 P.M.)

CONFIDENTIAL
Press Conference #32
Executive Offices of the White House,
July 7th, 1933 - 4 o'clock P.M.

THE PRESIDENT: I don't think I have any news at all today. I can discourse to you for about two minutes on some of the charts that the Departments have been giving to me today which are quite interesting, showing the wholesale price index. I think the simplest one is this (indicating). This starts from 1914 and the dotted line is "Products other than Farm Products and Foods", in other words, manufactures. You will notice that they went, together with the farm products line, all the way up through the War period and then down in 1920 when they all went down together and then they all came up a little together during that whole period of 1920 to 1929 but, in 1928 and 1929 farm products went up higher than industrial products and, since 1929, farm products, which is the blue line, went all the way down here, clear off the sheet so that, relatively, farm products in the past four years have gone down from a higher point to a much lower point and industrial products, which had not gone up as much in 1929 relatively, have gone down less since then. Then, this (indicating) is the curve for the past two months. Of course, you haven't got an awful lot to go on yet, it is only a couple of months. The curve for the past couple of months shows the greatest relative increase in farm products, which is a very cheerful thing for the reason that the purchasing power of people engaged in farming had practically disappeared and now it is coming back and in time we hope we will catch up to the industrial products line which is going up, but not going up as fast as the farm products. Eventually we hope they will meet.

Q. How far apart are they now?

THE PRESIDENT: Here they are (indicating). The farm products line has just come back on the sheet. (Laughter)

Then the other chart that goes back to [1919?] 1929 is interesting as showing that from 1920 on production and employment - during 1922, '23, '24, '25, '26 and '27, production and employment were practically on the same level. Then during that boom year of 1929 production went up away above employment and then since 1929 both of them came down right on through 1930, '31 and '32 and the beginning of 1933, approximately together. Now the story of the last two months shows that production has gone up faster than employment, which is a thing that we have got to do everything we can to prevent or, rather, putting it the other way around, we have to put on every effort on getting the employment line from now up to go up as fast as the production line. The best illustration I know of as to why this is caused is this: A cotton mill, let us say, ran one shift up to, say, the first of April and it suddenly begins to get orders and the orders continue to come in and by the first of May it is running two shifts or, in the alternative, it is lengthening out the hours of employment. In other words, if it has twice as many orders it is not employing twice as many people or, if it has three times as many orders, it is not employing three times as many people. That is an illustration of why employment of individuals has not kept pace with production.

Q Mr. President, is the broken line based on dollars or units?

THE PRESIDENT: I couldn't tell you; I think it is based on an index.

Q If it is an increase in prices --

THE PRESIDENT: I think it is on units, not dollars.

Q How are you going to get at this problem?

THE PRESIDENT: That is where the Industrial Act comes in. For instance, on the cotton thing, we hope to employ one hundred thousand more people than employed there at the present time on the same volume of production.

Q That is where the codes come in?

THE PRESIDENT: Yes.

Q Have you approved the code, Mr. President?

THE PRESIDENT: It has not come to me yet. They asked for an extra day on it.

Q On what basis were these figures computed - the figures showing 1922 to 1927 where production and employment move practically together? Is that the Bureau of Labor Statistics --

THE PRESIDENT: No, this one is the Federal Reserve Board Index.

Q How about the others, are they the same?

THE PRESIDENT: No, that first one is the Bureau of Labor

Statistics (indicating). They both check together pretty well.

Q Do you think the increase in the stock market helped the index of prosperity?

THE PRESIDENT: Really, I ask you.

Q Do you? (Laughter)

Q This fits right into the picture you have been discussing. Is there anything you can tell us about your talk with Senator Wagner?

THE PRESIDENT: He just came in to say good-bye. He is sailing for Europe.

Q Have you got any new plans for the agenda of the Economic Conference?

THE PRESIDENT: No.

Q Did this conference today with Phillips and others have any bearing on that?

THE PRESIDENT: No, we were just discussing general world economics and that is all.

Q Can you tell us anything further about that conference?

THE PRESIDENT: Not a blessed thing.

Q Are you seeing them again this afternoon?

THE PRESIDENT: Yes, later on.

Q On the subject of repeal, Mr. Farley has sent a telegram to the Governor of Kentucky and others, asking them to include repeal in the agenda for any special session they may have. There is to be one in Kentucky very shortly and so far the Governor has put only a provision for a tax enactment into it. I was going to ask if Mr. Farley represented your feeling about it.

THE PRESIDENT: I cannot tell you anything on the record on that. Of course, Mr. Farley is acting off the record and as Chairman of the National Committee and not as Postmaster General, and again, off the record, - you cannot use this because I don't know what form it will take when I do it, nor do I know when I will do it, but the chances are that some time I will write a letter and send it to him in reply to a letter sent to me and say, in effect, that we have tried since the 4th of March to carry out the Democratic Platform and that I feel that any effort by any Governor of a State to carry out that Platform would be absolutely in line with the Party's pledges last Fall and that one of the things we said we would do is to have repeal, that the matter of repeal should be submitted to Constitutional

Conventions and therefore any State that calls a Constitutional Convention for that purpose is simply carrying out the mandate of the Platform.

Q It would be nice, particularly now.

THE PRESIDENT: Yes, you see, I have to cheat with my own time doing it.

Q Will it be before the elections?

THE PRESIDENT: I think so.

Q Can we use something along that line?

THE PRESIDENT: Not yet; don't spoil my story.

Q The decision to keep Davis at home comes somewhat as a surprise to us.

THE PRESIDENT: Absolutely none at all. There is no story to it in this thing any more than there was a story over the fact that the Minister of Sweden was about to go to his post. I think, frankly, we are getting to the hot weather period. What happens on Disarmament or the Disarmament Conference is very similar. Mr. Arthur Henderson has been put in complete charge during the Summer of the detail work looking toward the October meeting, and it was a question when Norman Davis came back here as to whether Henderson thought that Norman Davis could be helpful, during the Summer, in working out the details. We got word the day before yesterday from Arthur Henderson that he did not think it necessary for Norman Davis to go over at the present time and that means he will hold himself in readiness until Henderson wants him there, and in any event, he will go over by the end of August or the first of September. Of course, he may go before.

Q Can you tell us the significance of his presence today in this Conference on the world economic discussions?

THE PRESIDENT: What we were talking about was reviewing the original agenda of the Conference, and Norman Davis helped to make up the original agenda.

Q Is there anything new in that connection on monetary stabilization?

THE PRESIDENT: There was somebody, I.N.S., I think it was, had a flash that they had decided to go ahead and talk about it.

Q That was the Sub-committee?

THE PRESIDENT: Of course, the thing comes right down to this: It is the easiest illustration and you can use it as background. There are a lot of nations there that would like to talk among themselves about fresh phases of the monetary question and they probably will do it and, if nations don't want to take part in these formal discussions about monetary matters, I suppose they won't. There is nothing very exciting about talks. It does not mean that the monetary subjects are going to be discussed among the sixty-six nations' Delegates.

Q Does this Conference today - about this Conference today, is it possible that the United States will have a program to carry out your ideas on raising world prices?

THE PRESIDENT: It is difficult to use "a program". After all, a conference is a conference. You go into a conference with an objective. You don't go in there with a plan saying that on such and such a date this country will do this, that or the other thing. You go in there and say, "Here is our plan for raising world prices," and you lay your plan on the table and some other nation gets up and says, "That is extremely interesting, we are going along on a parallel line." Now, you may get fifteen, twenty, thirty nations that will be interested in our plan. Some of them may be going along half way or seventy-five per cent of the way. Others may be so interested that they will say, "We may go along", and then they take it up. That is all there is. We are telling them our plan, and I think it is having quite a good deal of effect. I think, reading between the lines on what has happened before, they have a good deal more interest in our plan today than they did the day before yesterday.

Q May we use that as background?

THE PRESIDENT: Yes. That, on the other hand, does not mean that we are saying to the nations, "Here is our plan; you have to adopt it." It does mean that we are saying, "As a general proposition, depending in the case of each nation on the needs of that nation, we believe that an objective like ours would be a good thing for as many other nations as possible to adopt." Their methods and means of reaching the objective may differ from ours.

Q This is the plan in your second communication of the day before yesterday? Is that the plan you are referring to now, the one Hull told two days ago, the so-called "commodity dollar"?

THE PRESIDENT: You mean the Delegations' statement?

Q You refer to the plan?

THE PRESIDENT: I don't quite follow.

Q You have referred to "our plan". Is that our plan, the one contained in the Delegation's last statement to the Conference?

THE PRESIDENT: That is one way of putting it. I told of it half a dozen different ways myself. Their way was a perfectly good way of stating it.

Q The objective of that is to raise world prices?

THE PRESIDENT: Yes, the objective is to raise world prices.

Q Are you discussing any new plan in this Conference today?

THE PRESIDENT: We are going ahead with the same objective.

Q Are you discussing any new ways of attaining it?

THE PRESIDENT: No, no new ways. There is a restatement of it in some ways, but the plan itself has not changed as far as policy goes. In other words, you have to differentiate between the two words, "plan" and "policy". In other words, the ultimate objective on the one side is that you are shooting for something, and on the other side, to come down to the question of the plan, there are half a dozen different ways of getting at that objective.

Q You talked about agricultural prices going up some time ago. Wouldn't that raise some havoc with your cotton plan in the South?

THE PRESIDENT: I think it is going very well.

Q There is some idea that you, yourself, might speak to to the South.

THE PRESIDENT: I think that suggestion comes from the fact that since I got back the day before yesterday I have had requests for special radio addresses from the Farm Credit Administration. They would like to have me explain all about that. I have also had requests from Hopkins to talk on relief work, and Johnson on industry, and Secretary Ickes on Public Works, and two or three others. If I were to start on the radio, explaining each plan --

Q Didn't you have a conference with Wallace?

THE PRESIDENT: No, not on cotton.

Q From the reports do you think the cotton plan is going over?

THE PRESIDENT: It is going over very big.

Q The report was that they had signed only two million acres out of the ten million acres that should be signed up.

THE PRESIDENT: They haven't the forms in the hands of enough people as yet.

Q Then it would have to be extended in order to overcome the deadline date?

THE PRESIDENT: They expect to get seven or eight million acres.

Q Mr. President, have you received any special reports from the Delegation in London today or last night as to the situation over there?

THE PRESIDENT: Only the general statement - what we call the summary.

Q About this industrial program again, there have been a lot of stories and reports to the effect that there is some holding back and that it is necessary to go in and use a club on some of them.

THE PRESIDENT: I can only tell you what Johnson told me yesterday; that so far as he knew there was only one - I suppose you had better keep this off the record because I don't want invidious distinctions drawn or brickbats thrown - there is only one association and that was the Illinois Manufacturers Association. He telephoned some friends and they apologized and are taking it all back, and are going to cooperate from now on.

Q This problem of over-production -- if they come in line, would you have this over-production?

THE PRESIDENT: What do you mean?

Q They are not employing people fast enough. Isn't there some way of catching up with that production line?

THE PRESIDENT: That is the objective of the whole thing. On the other hand, it is a perfectly human thing, if you own a cotton mill and know that every piece of goods you turn out you don't have to pay the processing tax and that the cost will be a whole lot lower than when you sign up the code, you do all you can to produce and over-produce until that time comes.

Q How are you going to stop that?

THE PRESIDENT: We cannot do it until we get a code signed.

Q Are you going to make a radio address on reforestation camps?

THE PRESIDENT: That is another one. I think they are going to have a radio hour for the boys in the reforestation camps and I told Louis Howe that I was going to speak twenty words.

Q Mr. President, what do you think of drinking out in the State Department Press Room? (Laughter) No kidding.

THE PRESIDENT: You know what we ought to do? We ought to take them on up to Roque Harbor, Maine. Did you people hear about it? It was the only time I got away with it on the cruise. The Press turned absolutely blue with fright. In the fog there, in this little bit of a harbor that was just off the big harbor, there were the two Press boats, the regular Press and the prima donnas. They were anchored just inshore from me, not more than two hundred or three hundred feet away. You could just barely see them. Outside of me there was the old Cuyahoga, and outside of the Cuyahoga was the destroyer. One morning we wanted some water on the Amberjack, so we took the little rowboat and tied the anchor light on the rowboat and then cast off and got away under the engine and went out past the Cuyahoga to the destroyer and tied up along side, and it took us about half an hour to get water. Well, Steve (Stephenson) or somebody came on deck and looked over to where the Amberjack had been ten minutes before, and she was gone. All that there was in place of the Amberjack was one rowboat. (Laughter) I believe --

Q (MR. STEPHENSON) And did we jump out!

THE PRESIDENT: And I believe that the Press Association let out one wild yelp and sent over two boats. Right?

Q You sure did scare us, Stevie.

THE PRESIDENT: That is the only time I got away. (Laughter)

Q Have you any plans for the rest of the Summer?

THE PRESIDENT: I don't know.

Q Do you still expect to be away in August?

THE PRESIDENT: I expect to go away for a week and then come back, and then go away for a while.

Q Have you taken up the Detroit bank situation with Acheson?

THE PRESIDENT: I talked with Acheson and Jones about it this morning, and we are still conferring about it.

Q Have you urged them to work out some harmonious plan on it?

THE PRESIDENT: We are trying to; you know how difficult it is.

Q When are you taking up war debts?

THE PRESIDENT: I don't know.

Q Did you hear from the Cabinet Committee?

THE PRESIDENT: No; haven't taken it up as yet; did not have time.

MR. EARLY: Some of the boys are asking questions about your diet.

THE PRESIDENT: I eat anything, but I'm just cutting the portions down -- cutting down on the volume.

(The Press Conference adjourned at
4.35 P.M.)

CONFIDENTIAL
Press Conference #33
Executive Offices of the White House,
July 12th, 1933 - 11.10 A.M.

Q Mr. President, how are the seven pounds?

THE PRESIDENT: I lost two. I just took the belt in a hole, that is all. I have not weighed yet or maybe the belt stretched, I don't know.

I hope you are all having a good time; I can stand it, and if you can stand it and the American public can stand it, we are all right.

Q They have been terribly hot days.

THE PRESIDENT: I will tell you a little story: Yesterday morning, when I gave Mac the simple little announcement about the Council, I said, "I hope, Mac, somebody calls it a super-Cabinet," and he said, "Oh, no, they would not." (Laughter)

Q What do you call it, Mr. President?

THE PRESIDENT: I call it the Council.

Q Executive Council?

THE PRESIDENT: Just Council, that is all it is. It certainly is not a super-Cabinet. However, if the public likes to call it that, you can call it that. Of course, it is not that; otherwise it is perfectly all right.

Q Well, it sounds good.

THE PRESIDENT: And somebody said that Walker had the power of an Assistant President. Of course, if you want to write that, and the public believes it, it doesn't get under my skin; but it doesn't happen to be true. But it is all right.

Then there were some other things. George (Durnò)(?) wrote a perfectly grand story for it. Really, the heat has got people down in this town this year. There was something to the effect that President Hoover and Eugene Meyer and Bernie Baruch were going to form another kind of a super-Cabinet. And then, what is the other one -- that I was having difficulty in finding enough rich Democrats to fill the diplomatic posts. Now, don't you believe it. I have in the diplomatic folder, I think there are at least two hundred and fifty or three hundred names of deserving Democrats who would like to have places under any conditions, salary or no salary. As a matter of fact, on the total thing we filled quite a lot of places and there are still quite a number going to be changed, but the reason we have not gone faster is, in the first place, I haven't had time to get around to it and, in the second place, there are quite a number of posts where the individual who happens to be there, irrespective of whether he is a political appointee, is doing special work and I want to keep him on to finish up the special work. There are half a dozen cases of that kind and, of course, those political appointees will be replaced in time. I think I told Bill Phillips to go ahead and make three or four changes, and there will be changes from time to time.

Then, for instance, just to give you an example, we have career diplomats. Of course, we are going to keep them in, and if there is some political appointee carrying on special business or doing a special piece of work, I may want to keep him on until possibly the Fall and, when he goes out, I may move a career diplomat from some other place into his place. Therefore, it means that his place will be filled either by a career diplomat, or a political appointee. It will take me probably the balance of the year to get the diplomatic posts more or less permanently straightened out, but there is no difficulty in finding candidates.

Q You said you had two hundred and fifty men of wealth. How does that compare with the vacancies?

THE PRESIDENT: Not men of wealth.

Q They may be able to pay their own expenses until confirmed by Congress?

THE PRESIDENT: No; no appointments are being made because the vacancies do not exist at the present time. In fact, I think I have filled every post where there was a vacancy.

Q I understand that on a recess appointment you have to pay your own expenses.

THE PRESIDENT: No, if the vacancy does not occur until after Congress adjourns, then they can get their pay. It is only where the vacancy has occurred before, and I do not fill until after Congress adjourns that they cannot get paid.

Q Are you contemplating a change in the form of government for the District of Columbia?

THE PRESIDENT: I said last week that I hoped to have something on the District within two or three weeks. I haven't done a thing about it since I mentioned that.

Q Have you contemplated any changes in the Civil Service system that would remove certain classified employees?

THE PRESIDENT: I think the easy way to put it -- well, for instance, here is a very good illustration of what the Council is for. We took up yesterday the question of getting office space for these various new agencies and we talked it over as to what was the best thing to do. We decided this: Now, I want to draw a very sharp distinction. There are two kinds of people on the Civil Service list. There are people who get there through the Merit System, by examination, and there are quite a lot of people who get in there through the political system by Executive Order, and I think, in fairness, there should not be a reference to everybody on the list as Civil Service employees because it is not at all the full truth. There are a lot of political appointees who were covered into the Civil Service by Executive Order. Now, they are not Civil Service employees within the meaning of the Civil Service principle. The Civil Service, started by Grover Cleveland, was intended to be filled by people who came in, regardless of Party, on a competitive basis. That is the true meaning of Civil Service, regardless of Party - on a competitive basis.

Now, what we are doing is this: This is the kind of a thing that the Council was meant for. We decided yesterday that in employing personnel for these new departments, such as what might be called the regular working staff - stenographers, file clerks, messengers, and so forth and so on - that they will and ought to go to a list which they will get from the Civil Service Commission. Now, that list will give a preference to honest-to-goodness Civil Service employees who have been discharged within the past four months because of the economies, and it will not include the names of the political appointees who were discharged. Now that is the broad rule.

In other words, any man or woman who is discharged from, let us say, the Department of Commerce in the big cut that happened there, who was a Civil Service employee in the strict sense of the word, and who came into Civil Service through competitive examination, whether Republican, Democrat or Socialist, or anything else, his name will go on a list that the Civil Service Commission has, and he will get first preference for re-employment in these new Government agencies.

Q Are the others excluded entirely?

THE PRESIDENT: They can take a new examination any time they want. If they can pass it they get on the Government roll. (Laughter) If they are clever enough to pass it, that is fine; the fact that they are Republicans will not be held against them.

Q And what if the Republicans pass it?

THE PRESIDENT: I don't think that is a fair suggestion, because the Civil Service is intended to take people from the standpoint of ability and not from the standpoint of politics. Most of the examinations pay very little attention to the political question.

Q Did the Council take up the question of minimum wages and maximum working hours?

THE PRESIDENT: I wish you wouldn't guess on the things done in the Council, because you guess ninety per cent wrong. We did not discuss codes.

Q No, this was not a code; this was to be put into effect as a temporary stop-gap while the codes are being worked out.

THE PRESIDENT: That I cannot tell you, because Johnson is working on a plan of that kind, and how far he has got on it I don't know.

Q He told us that. We were wondering whether it had come up here or not.

THE PRESIDENT: No. Of course, so far as the codes go, I think they are making darned good progress, when you consider the number of industries involved and the fact that only two or three did any preliminary work. The cotton people started way back in the early part of May, and that is why they were so far ahead and came through so quickly. The steel people started before the bill was passed, and I think they are making good progress. There were others as well. On the other hand, a great many people did not get started until the bill was signed, the 17th of June, and most of the industries did not start until the bill became a law. It does take a long time to get an industry together. On the whole, I think they are making very good progress. There is only a small percentage, a minor percentage, of industries that are not making a pretty faithful effort on it. Johnson's idea is that we can save time by trying to get out a temporary blanket order that will cover certain features like minimum wages and [hours?] pay.

Q Is there any other alternative plan for controlling the price of goods that are being manufactured now - the goods being built up in the warehouses?

THE PRESIDENT: You mean trying to prevent them from being sold at too high prices?

Q Yes, presumably higher prices.

THE PRESIDENT: All that I can tell you is that we are working on it in order to prevent people from making too big a profit.

Q You don't think the industries are holding back for that reason?

THE PRESIDENT: No.

Q There are a few exceptions, however.

THE PRESIDENT: I suppose the most difficult industry to organize in this country is coal. It is tremendously difficult for many reasons. The transportation cost comes in. It may have to be regionalized. When you do that it is like the railroads and the question is whether it is part of the Atlantic or the Middle West region. Then there is another factor which is different from any other industry; the fact that such an enormous number of human beings are in the coal industry who can never get employment. It is a queer human fact that once a family goes into coal mining business, they are never good for anything else. They would rather hang around the coal mining industry, in the hope of getting three or four weeks' work in a year, than to make an effort in another direction. In the coal industry we are trying to get the coal operators to work with the idea of putting perhaps two hundred thousand people into some other occupations. Even if we started every coal mine in this country going on a basis of increased production, probably a third of the people would still be unemployed. It presents, I think, one of the most difficult problems we have in any industry. It may be two or three months before it is worked out but, on the other hand, we may use this temporary method of giving an increase in the wage level and reduction in hours.

Q Are there any ideas as to what different lines the coal men might go into?

THE PRESIDENT: No; they have had all kinds of suggestions. There has been farming, or part farming and part coal mining. They have worked that in one or two places and it is a good plan, by which they put the miners on small farms within small distances of the coal mines, and they would do coal mining one or two months of the year in order to have a cash crop.

Q On that Executive Order, that would be put on a voluntary basis, just to appeal to them to raise wages and shorten hours?

THE PRESIDENT: I don't know; I would have to ask Johnson first.

Q How about transporting these people from where they are to another section?

THE PRESIDENT: Of course, we have twenty-five million dollars in the Recovery Bill to put people onto subsistence farms. That would be held to a voluntary basis, and we might find people in the coal industry who might want to try it out, to try out one of these subsistence farms.

Q There has been a suggestion from London that after the Conference adjourns you would like to see them come over here next year.

THE PRESIDENT: It must be hot in London, too.

Q Have we any objection to the Conference resting for the Summer without apparently having accomplished anything?

THE PRESIDENT: I haven't any idea what they are going to do. When the Prime Minister was here we talked about the fact that on the 12th of August every good Englishman goes grouse shooting and every good Continental goes to a Spa for two or three weeks, and therefore that undoubtedly, some time in August, the Conference, if it has not completed its labors before then, would take a recess for perhaps a month. It would be a perfectly normal thing for them to do.

Q Did you give the Argentine Ambassador any encouragement yesterday with reference to the subject of opening negotiations for -- (interrupted)

THE PRESIDENT: I told him we would be perfectly delighted to sit around a table and see if we couldn't find ways and means to increase trade between the Argentine and the United States.

Q Soon?

THE PRESIDENT: Right away. Any time they are ready to sit around a table.

Q Does that mean a trade mission?

THE PRESIDENT: Well, there again, I don't know whether it would be handled in that way.

Q The Argentine has been asking to send one as soon as we are ready to receive it.

THE PRESIDENT: And I think the Ambassador and Bill Phillips are talking over the ways and means and methods today.

Q What other countries are you dealing with on the same basis?

THE PRESIDENT: Quite a number. I think you had better check it with Bill Phillips. I think there are one or two with the Scandinavian countries, also Brazil, Colombia, Chile -- I might have left some out.

Q Mexico, Mr. President?

THE PRESIDENT: I don't know.

Q What kind of agreements are you working out with them, Mr. President?

THE PRESIDENT: Well, for instance, let me give you an example in the case of the Argentine. We have got a very difficult situation down there on the question of meat because, in the main part of Argentina they have a hoof-and-mouth disease, and they claim it cannot be transported and given to cattle in the other countries through the exportation of beef. Our Department of Agriculture people, however, say that it can, and that Argentine beef coming into England has created outbreaks among their cattle. In any event, there is a scientific dispute there. Our Congress, two or three years ago, as you people know, passed a bill saying that we could not bring in any meat from the Argentine. Now, we are precluded by law from bringing in any meat of any kind.

Now, the Argentine Government says that down in Patagonia there has been no hoof-and-mouth disease, and we go along with them on that and say, "Yes, there isn't any." Unfortunately, however, the Congressional law used the word "country". Well, they say that Patagonia isn't really the same country as the rest of Argentina, any more than Alaska is the same country as the United States. That is a pretty good parallel. If we had some disease in this country - that is, in the Continental United States - which did not exist in Alaska, Alaska would feel pretty badly if they were cut out of any exports with them down there. Patagonia is separated from the rest of the country by a very wide desert, and there is no communication by railroad across that desert, but only by sea. They are very anxious to have us ask Congress for a modification of the law, so that Patagonia mutton can come in. Well, I think it is a pretty reasonable request.

Q Is that good mutton?

THE PRESIDENT: What?

Q Is that good mutton?

THE PRESIDENT: I may have eaten it, but not knowingly. Then, here is another example of the Argentine. I talked to Senator Byrd about this. He is one of our biggest apple growers. Everybody knows that American apples, by the time May comes around, are pretty poor. The cold storage apple we sometimes get in June, July and August is a pretty poor article. Now, the Argentines would like to discuss the possibility of a seasonal tariff by which we would lift the tariff on apples during June, July and August and allow fresh Argentine apples to come in here. They would not compete with our apples, and, in addition, we would have some sort of agreement under which, by the end of

August, say, or the first of September, if there were any Argentine apples still in cold storage here that had not been distributed through the retailers, the Argentine Government would take them out so that they would not compete with our Fall crop. I think that is a pretty good idea to talk about.

Q What did Senator Byrd say about that?

THE PRESIDENT: Senator Byrd said that as far as he knew there would be no objection from the apple growers in this country. He did not think they could reasonably protest against such seasonal importations coming into this country.

Q Flax was also mentioned as a possible exchange with Argentina.

THE PRESIDENT: I don't know about that; it was not mentioned. I also mentioned to him that they grow down there what they call [mate] matte, which is a Paraguay tea, and it is a very interesting drink because Paraguay tea has all the pick-up qualities of coffee or tea, but, at the same time, it does not keep you awake. A great many people, when they first drink it, don't like it because it tastes like rather poor green tea, but all through South America it has become, really, as much of a drink or, rather, more of a drink than coffee itself, and I think it would be worth while in this country for them to try to sell it, or at least to let our people try it. They might like it, or they might not.

Q Give it to the State Department reporters over here and try it out on them. (Laughter)

Q What compensatory advantages would there be for the United States? What would they do in return for privileges at this end?

THE PRESIDENT: Well, it would be this: Suppose, for the sake of argument, they sold us fifty million dollars more of those goods and products than they do today. The chances are that they would spend that fifty million dollars in the United States to bring American products back to the Argentine.

Q But no special, particular activities?

THE PRESIDENT: No.

Q What do you think about the possibility of the hoof-and-mouth disease in the dumping of Argentine beef?

THE PRESIDENT: Beef? I don't think it is up for discussion at the present time, because it has not been eliminated. They admit that themselves.

Q Even to let in this Patagonia beef, it would require an Act of Congress?

THE PRESIDENT: Yes, I think we would have to have that, because the Act of Congress says "country".

Q How about the fruit fly?

THE PRESIDENT: Have they the fruit fly in the Argentine?

Q They won't let the grapes in and they won't let the apples in.

THE PRESIDENT: I didn't know that.

Q It is the Department of Agriculture's quarantine that is keeping them out, not the tariff.

THE PRESIDENT: Does that fruit fly come on apples?

Q It does on grapes; I am not sure about apples.

Q You appointed a Board some time ago to investigate the dispute on the Kansas City Southern Railroad.

THE PRESIDENT: Isn't that a little bit of a road down there?

Q I think they have a report in the last day or two.

THE PRESIDENT: Yes, I was thinking of another report on another road.

Q No, this is the Kansas City Southern.

THE PRESIDENT: I haven't heard a thing.

Q Anything on the kidnapping in New York?

THE PRESIDENT: No, except anything that we can do we will do.

Q Has there been any action on the request of the Forest Service for an appropriation for research at the Forest Products Laboratory? I understand that Douglas had approved it.

THE PRESIDENT: What, again?

Q They had recommended something for the Laboratory in Madison, Wisconsin.

THE PRESIDENT: We have allowed a little bit on that. Now, there is one reason for our Council meetings. Almost every Department in the Government, seeing all this money, would like to have a little of it for what might be called regular departmental work instead of for putting people to work. Some of my Forestry friends wanted to spend seven hundred thousand dollars on this forest research work. Well, that would have employed two hundred professors and fifty laborers, and I did not think that was the purpose of the Act, so we cut out almost all of that request. We have allowed a certain appropriation for the research work to go on that would have immediate relationship to the actual work in the forest.

Q Do you know how much money has been allowed?

THE PRESIDENT: In Wisconsin? I could not tell you how much.

Q The Assistant Secretary of War has written, or asked, or demanded that the utility interests of the country cut down the gas and electric light rates.

THE PRESIDENT: The Assistant Secretary of War?

Q That is our story; it comes from Indianapolis and I don't know whether the others got it. (Laughter) As a matter of fact, he asks that they reduce the rates ten per cent.

THE PRESIDENT: To the Army posts? Oh, that is a fine thing.

Q We understand that he has issued orders to take it up with the public, the State Utility Commissions if they do not get it.

THE PRESIDENT: I suppose it is trying to save money, just like the Post Office Department is trying to get a little money back from its Post Office leases, and they have done very well. It has cut down Post Office leases somewhere around twenty-five or thirty per cent.

Q You mean the rent?

THE PRESIDENT: Yes, we are doing all the chiseling we can.

Q Do you expect to announce Federal Public Works projects today or tomorrow?

THE PRESIDENT: Secretary Ickes is going to have lunch with me and we are going over the first recommendations.

Q Shall we get it from here or from Mr. Ickes?

THE PRESIDENT: From Mr. Ickes.

Q Perhaps we will get it this afternoon?

THE PRESIDENT: Yes, I think so.

(The Press Conference adjourned
at 11.35 A.M.)

CONFIDENTIAL
Press Conference #34
Executive Offices of the White House,
July 14, 1933 - 4.20 P.M.

THE PRESIDENT: I have got just fourteen minutes before I go off on my boat.

Q Have you any spots picked out on the Eastern Shore?

THE PRESIDENT: There is one there somewhere.

Q Are you going to leave the boat?

THE PRESIDENT: I don't know.

Q Are you going to try the fishing?

THE PRESIDENT: I hope so.

Q I understand it is very good.

THE PRESIDENT: I tried last time, but didn't catch a thing.

Q Any chance that you will leave the boat while down there?

THE PRESIDENT: I may go out in the launch.

Q But you are not going ashore?

THE PRESIDENT: No.

Q Any place?

THE PRESIDENT: No.

Q Have you decided, sir, in advance where you are touching?

THE PRESIDENT: No; I am going all around the place. I will probably go up into the Patuxent, or up in the Rappahannock; I couldn't tell you where, it might be one or it might be the other.

Q Are you studying the blanket wage code?

THE PRESIDENT: I have not heard a peep from General Johnson. He is coming down, flying down, Sunday morning to spend the day with me, and I won't hear anything until then.

Q What you said the other day about Civil Service made a favorable impression; are you getting action out of the Commission?

THE PRESIDENT: I couldn't tell you. I think the Civil Service Commission is at work on this list.

Q What did you hear from Ray Moley - Secretary Moley?

THE PRESIDENT: Nothing; he just came back, that is all. In accordance with what he went over for and what he came back for, it is just to keep me in touch with things over there.

Q Have you had any reaction from members of Congress who haven't gotten Post Offices?

THE PRESIDENT: Not yet.

Q Do you expect some?

THE PRESIDENT: Well, if your story was right, Charlie, I think there would be some awful reaction. (Laughter)

Q There will be.

THE PRESIDENT: Gosh, you know your story was enough to scare every deserving Democrat to death.

Q Oh, no.

THE PRESIDENT: It was awful.

Q Anything more on the universal minimum wage?

THE PRESIDENT: No; I was just saying that I haven't heard from Johnson on it and he will probably take it up with me on Sunday, when he is flying down.

Q Do you expect to discuss the blanket minimum wage - that feature of it?

THE PRESIDENT: Yes.

Q Just that feature?

THE PRESIDENT: And a whole lot of other things.

Q He is ready to make a report?

THE PRESIDENT: I haven't heard anything at all.

Q Have you heard any reports of the progress on the codes?

THE PRESIDENT: The only thing I have had is that Miss Perkins mentioned in the Cabinet meeting that she thought we were getting on pretty fine.

Q Have you any comment on the success of the cotton reduction campaign?

THE PRESIDENT: No, not on the record. The Secretary of Agriculture is very much pleased and I am very much pleased, as a matter of fact, that we got up to over nine million acres up to the present time, which is very good. Then, another thing that the Secretary of Agriculture called attention to was that on our original estimates of ten million acres we would have taken out of production three million bales of cotton, and that actually on nine million acres we have taken three and a half million bales out of production. In other words, the way it has worked out, we are getting more pounds per acre eliminated from production than we had expected to get, which is very good.

Q Why is that; how do you account for it?

THE PRESIDENT: One reason is, as I understand it, that we haven't made contracts on any land that produced less than one hundred pounds to the acre.

Q Mr. President, according to the press reports from Puerto Rico, the whole Island is very much concerned by indications that the Commissioner of Education is going to be decided upon on as much a political basis as any other appointment, and I understand that they have cabled you attacking the conditions, etc. I think Mac said that we had not received any cable. I wonder if there has been any decision.

THE PRESIDENT: I have to tell you a secret - I don't want them to know it in Puerto Rico. I didn't even know that the Commissioner of Education was appointed from up here. (Laughter)

Q Have you any reports of increased employment? Governor Pinchot was here the other day and said that employment had increased four per cent in Pennsylvania the last two months, and I thought that perhaps you had reports from other parts of the country.

THE PRESIDENT: No. Has the Labor Department given out the July 1st figures as yet? Those would be the first ones we would get, and I haven't heard anything about it. The only thing we have had which showed the figures, came in on the 10th.

Q Is there any possibility of the embargo on gold being lifted to permit the shipping of gold abroad?

THE PRESIDENT: The only thing being talked about at the present time is, "What is bullion?" The Attorney General is working on that from the legal standpoint. In other words, it is a question as to whether gold-bearing rock which comes out of the ground in its natural state can be exported and smelted elsewhere than within the United States. Then the next question is whether smelted rock which goes through a number of processes could be refined down to, let us say, all except the final process and then exported. The question is, would that be bullion? We don't know.

Q Mr. President, can you say anything about Commander Johnson's invitation to attend the Legion Convention in Chicago?

THE PRESIDENT: If I can go out to Chicago at that time, that would be the time I would go to Chicago, but I cannot tell, since it is too far ahead. In other words, if I go to Chicago, I will go the same time as the Legion Convention and take in both.

Q President Green mentioned the other day that you were considering a Board of Appeals to hear those controversies about efficiency ratings.

THE PRESIDENT: The Civil Service Commission is working on it, and they haven't anything final on it yet. Their preliminary thought is that they would set up what might be called a Reviewing Department, a kind of reviewing board, in each Department, and then there could be an appeal from that to a central Board of Appeal under the Civil Service Commission.

Q How about the idea of having one representative from the employees and then a neutral representative?

THE PRESIDENT: The Civil Service Commission is working on it.

Q I understand that somebody in the Treasury Department has recommended that either a free gold market be established or that there be permitted the exporting of mined gold.

THE PRESIDENT: I don't know anything about it.

Q Does the fact that this bullion question is being studied mean that you will give favorable consideration to the exportation of the unfinished product?

THE PRESIDENT: The first thing is to determine what is bullion under the law. Probably this is just a horseback opinion before the Attorney General rules on it. I don't think that [gold-]bearing rock in its natural form could be considered as bullion, but it is a question as to what point in the refining process it does become substantially bullion.

Q Have you any objection to the ore-bearing rock containing gold being exported?

THE PRESIDENT: It is an article --

Q Is that going to Canada?

THE PRESIDENT: I don't know. As a matter of fact, the whole thing is, as I understand it, a very, very small matter because there are -- the cost of transporting the rock in its natural state is so tremendously high that, at the present time, it is almost impossible to send out anything except rock which is right alongside the Canadian Border to a smelter which is only a few miles off.

Q How did the question come up; is there a demand for the export of this gold-bearing rock?

THE PRESIDENT: Yes. I think it concerns merely one mine. It is a very small thing. Its total effect on the gold question is infinitesimal.

Q That wasn't the question taken up by Senator Adams, was it?

THE PRESIDENT: Oh, quite a lot of those Western Senators took it up.

Q Didn't he have more than one mine in mind when he spoke of it? He said he was speaking for all miners.

THE PRESIDENT: A lot of Senators from the gold mining States have come in and asked whether there would not be consideration at the present time of shipping gold out of the country - gold, not the rock.

Q Are you giving any consideration to the latter?

THE PRESIDENT: No.

Q Do you think it may be necessary now to put in this blanket order on industry?

THE PRESIDENT: I could not tell you because I have not talked to Johnson.

Q And you would not know until tomorrow?

THE PRESIDENT: No.

Q Do you know what the process would be?

THE PRESIDENT: I don't know, I don't know enough about it.

Q Anything new on the managed currency? Have you anybody studying that?

THE PRESIDENT: I suppose there are two hundred and fifty people, to my certain knowledge, studying it all the time.

Q With an idea of bringing it down to something definite?

Q Did you discuss that with Moley this morning?

THE PRESIDENT: No.

Q Did Moley give you any idea as to when the Conference might take a recess in London?

THE PRESIDENT: No.

Q Was that being talked about?

THE PRESIDENT: He did not know.

Q Reports from there today say that it is going to recess on the twenty-seventh - July 27th - I don't know how official those reports are.

Q The size of the public works program was not as big as many of us be many of us expected it to be. Is there anything you can say about that?

THE PRESIDENT: That is limited by law.

Q The amount given out last night was a hundred and fifteen million dollars, in round numbers.

THE PRESIDENT: From time to time, every few days, something additional will be given out. We expect to use it, but it is a question of using it right and getting the most value and the most usefulness and the largest amount back to the Government.

Q This is not an indication of curtailment?

THE PRESIDENT: Not a bit.

Q Do you care to comment on the recess of the London Conference, or have you heard of it officially?

THE PRESIDENT: Off the record, I talked to you on Tuesday about it, about the talk I had way back last April when we discussed the possibility of their getting away by the 12th of August, grouse day, and if they did not get through by grouse day, they would probably, of necessity, recess a month or a month and a half.

Q May I refer to the public works matter again? Is it the purpose to use the full amount of three billion three hundred million dollars just as definitely as when it was passed?

THE PRESIDENT: Absolutely.

Q There seems to have been some misunderstanding or misapprehension as to whether it was advisable to make a blanket proposition for minimum wages and maximum hours for all industries, pending the making of codes, the question being whether it would be purely voluntary or possibly other than purely voluntary.

THE PRESIDENT: I don't know; I wish I could answer you. I have not talked to Johnson about it. That was one of the things he was looking into, to see whether it could be made compulsory.

Q In other words, if you could make it compulsory, that would be better?

THE PRESIDENT: If we can make it compulsory, it will be much more effective, but we don't know whether we can.

(Mr. McIntyre spoke to the President)

THE PRESIDENT: Mac reminds me that there have been two or three very minor instances where a sentence or half a sentence of mine has been quoted directly out of this conference. I would appreciate it if you did not do it.

Q How about District Commissioners - just one, Mr. President,

THE PRESIDENT: No. (Laughter)

Q Another question about gold: I understand that there is some organization which is seeking a free market for gold or for the exporting of gold, which organization has prepared a petition stating that if this export were permitted, that many more men would be enabled to make a living in mining. Has that ever been presented to you?

THE PRESIDENT: Yes. I don't know whether I have received the one you mention, but there have been at least five or ten petitions, and several hundred telegrams and letters, pointing out that if they could get the world rate rather than the Treasury rate it would put a lot of people to work. That is perfectly true, it would.

Q Speaking of public works, have you had an opportunity to go over flood control and river and harbor and bridges?

THE PRESIDENT: I am doing that with Secretary Ickes on Sunday. What we are trying to do -- well, let me explain it. Out of three billion three hundred million dollars, taking very rough figures, one billion three hundred million dollars is earmarked for highways, for Navy and for crop loans in RFC. I think there is one hundred million in there for home loans, too. That means there is about a billion three hundred million dollars earmarked. That leaves us about two billion dollars not earmarked, and out of that two billion dollars, we want to get back as much as we possibly can for the Treasury, eventually. Now, this is an extremely tentative set-up. We will have, very roughly, about five or six hundred million dollars for Government projects that have already been authorized. A very good example of that is the nine-foot channel on the upper Mississippi. That is a thing which is actually under way and probably that would be one of the projects that would come within this five or six hundred million dollars on which the Government would never get any money back. That would leave about fourteen or fifteen hundred million dollars which would go to non-Federal projects or to Federal projects which eventually will bring in a return as, for example, the dam they want to build somewhere in Wyoming on the North Platte which they say - and mind you, this has not been approved because we don't know whether the figures will check or not - which they say will produce enough power and enough sale of water for irrigation purposes to return the thirty or forty million dollars to be spent on it. That would be a self-liquidating project. Then there are a great many requests from cities all over the country for, let us say, water works. In the case of a request from a city, if we approve the project, we would give thirty per cent free and require seventy per cent back in some form of security that has behind it the earning power of the project. In the case of a water supply for a city it would be the water rentals for the use of that water. Which means, in very round figures again, that if we devoted a billion four hundred million dollars to the self-liquidating projects, thirty per cent of that we would never get back and the other seventy per cent we would expect to get back. Now, that is just a rule of thumb that we are trying to apply to this two billion dollars.

Q The RFC has loaned money for water works but they have never loaned any money for municipal lighting plants.

THE PRESIDENT: If we get any requests from municipal light plants, they will receive our very favorable consideration.

Q Before this legislation was put through a good many post office projects had been approved. We have heard nothing about those lately.

THE PRESIDENT: We talked in Cabinet meeting about that today and, what may be called a broad rule on that is this: We cannot see any particular reason for putting up a post office in any city where the cost to the Government over a period of years would be a great deal higher than the present arrangement of renting a building. I will give you a very concrete example: I won't tell you the name of the town, but it is not so very far from Hyde Park. It is not Hyde Park, it is a village of about fifteen hundred people. The Government today is renting a perfectly good post office for fifteen hundred dollars a year. Now, through political influence or some way, they managed to get an appropriation for a new post office to cost a hundred and ten thousand dollars. The maintenance of that new building, if it had been built, would have been probably two thousand or twenty-five hundred dollars a year, because we would have had to provide janitor services, night watchman, etc.; we would have had to stand the depreciation cost, painting and all sorts of things. And, if you figured out, say, three per cent of a hundred and ten thousand dollars, the net cost to the Government for a post office in that community would run probably around five to six thousand dollars a year. At the present time it is costing the Government only fifteen hundred dollars. Now, that kind of post office will never be built if I can help it.

Q It could not be called capital investment?

THE PRESIDENT: No. On the other hand, there are a few, but very few - I should say that not more than perhaps half a dozen of these post office projects that look as if, by building them, we will save money over the present arrangement.

Q It has been reported that the textile industries, outside of cotton, would like to have the hours of labor and the minimum wages of the cotton code apply to them. Is anything going to be done about that?

THE PRESIDENT: They may be applied and General Johnson is very much pleased, but I have my information from the newspapers.

Q You are not acting on it today?

THE PRESIDENT: No.

Q Did you say that if you receive any requests from municipalities for light plants, they will receive more favorable consideration?

THE PRESIDENT: I would not say, "more favorable consideration". I hate to draw invidious distinctions.

Q Favorable consideration?

THE PRESIDENT: That is, providing they are self-liquidating.

Q May we use anything with respect to your statement as to the upper Mississippi nine-foot channel?

THE PRESIDENT: Yes, I think you can use that.

Q We can say that that will receive favorable consideration from the Board of Public Works and is on the approved list?

THE PRESIDENT: It is not yet on the approved list, but I think you can say that the chances are that it will be approved.

Q Is that on the list that you are going over with Secretary Ickes on Sunday?

THE PRESIDENT: Yes.

Q Would you be willing to give us some idea on the total you expect to authorize on rivers and harbors and flood control? I understand that the War Department estimate was very much larger than we were led to believe.

THE PRESIDENT: If every Department got everything they wanted we would need at least ten billion dollars.

Q There is a dispatch saying that you are going to appoint a board to pass upon insurance loans from the RFC. How do they get loans?

Q Yes. There has been an enabling act passed which allows the RFC to buy stock in insurance companies.

Q Did you sign the processing tax on cotton today?

THE PRESIDENT: Yes.

Q Is that 4.2?

THE PRESIDENT: Yes, 4.2, and the Secretary of Agriculture is going to hold hearings as required by law on the rayon end of it so as to equalize rayon with cotton. We cannot impose - I have forgotten what they call it - a processing tax --

Q Compensatory?

THE PRESIDENT: Yes, compensatory. We cannot impose the compensatory tax on a competing product without a hearing.

Q Mr. President, the same line of reasoning with respect to post offices would apply to Federal buildings other than post offices, would it not?

THE PRESIDENT: Yes, the same idea.

Q In other words, these Federal buildings being built --

THE PRESIDENT: They would be built only where it pays the Federal Government to build them.

Q Did you sign that oil order?

THE PRESIDENT: Yes.

Q The administration of the oil provisions will be in a code?

THE PRESIDENT: Yes.

Q Did Secretary Ickes discuss with you the completion of the Great Smoky National Park?

THE PRESIDENT: Yes. On all the National Parks we are using a certain amount of money to round out the areas. It will not complete the rounding out, but it will go a long way to round out the areas.

MR. DURNO: Thank you, Mr. President.

(The Press Conference adjourned at 4.40 P.M.)

CONFIDENTIAL
Press Conference #35
Executive Offices of the White House,
July 21st, 1933 - 4.18 P. M.

THE PRESIDENT: Well, what is the news?

Q Mr. President, would you mind telling us what you told the Governor of Kentucky? (Laughter)

THE PRESIDENT: Now, come; the Eighteenth Amendment is not yet repealed. (Laughter)

Q I mean the wheat problem. He is organizing a grain trust. He is assembling a group of college experts to have a new deal in the country. (Laughter)

Q The stock market went off again this afternoon on a very definite report that you were very sick.

THE PRESIDENT: Do I look it?

Q No.

Q Also, it is rumored around Wall Street that you favor a five-day week for the Stock Exchange.

THE PRESIDENT: That is lovely.

Q Do you contemplate any action on the Stock Exchange situation?

THE PRESIDENT: No.

Q Is there anything you can tell us as background as to whether it is being studied or not?

THE PRESIDENT: The only thing I can tell you in the way of background is that of course if there are enough silly people in the world to go ahead and bid up stocks too far above their value, those people are very apt to lose their money. It is the same old human equation.

Q Can we quote you as saying that?

THE PRESIDENT: No, certainly not.

Q Is that true of the commodity markets, too; is that attitude true of commodity markets?

Q You mean exchanges, commodity exchanges?

THE PRESIDENT: The same thing holds true. Of course everybody knows that in the commodity markets a very large proportion of all the wheat that is traded in every day is purely speculative trading.

Q Can you tell us when the Anglo-American debt negotiations will begin?

THE PRESIDENT: I haven't heard a word.

Q It has been reported that they would not begin until the first of September, since you are going to be away.

THE PRESIDENT: I don't think there was any intention of having it before the first of September.

Q Will Moley conduct those negotiations? The report is going around that he is going to have a definite assignment on that.

THE PRESIDENT: No machinery has been thought of and no date has been set.

Q Isn't this situation hampering your Recovery Act a bit?

THE PRESIDENT: No. There are a great many people who attach undue importance to fluctuations of the Stock Exchanges. I think that is the easiest way of putting it.

Q It is said that it is pretty bad in Chicago and that nothing was being done while it is going up.

THE PRESIDENT: There have been questions under the old law, under the Commodity Acts, as you know, of putting on the old requirement for publicity -- bringing out the dealings into the light of pitiless publicity. That was merely put on when the total volume of trading got to a point where it seemed necessary.

Q Regarding public works on rivers and harbors, approved works, is there anything new in the development of the upper Mississippi or Missouri River improvements?

THE PRESIDENT: Nothing new; still working on them.

Q What is the delay?

THE PRESIDENT: I approved today quite a number of new public works. I have forgotten what they were. You will have to find out what they were from Ickes.

Q On the Missouri River?

THE PRESIDENT: No, engineering works.

Q Can you tell us about your reaction to the universal code or anything in that connection?

THE PRESIDENT: I think General Johnson gave you the story on it last night or this morning.

Q Yes.

THE PRESIDENT: I think it is going ahead.

Q Have you seen any responses?

THE PRESIDENT: I have not seen this morning's mail. There may be some in that. But, on the whole, industry is going along. We are getting excellent cooperation all along the line.

Q Your Cabinet had a long session, Mr. President.

THE PRESIDENT: On the contrary, we had the shortest session in history; it was less than an hour.

Q Can you tell us some more about the cooperation of industry?

THE PRESIDENT: I can, yes. This is off the record, just for your own information. We don't want to fight this thing out all at one time. In other words, possibly next Tuesday or, rather, Wednesday, I will talk on it more freely. My thought was that you got plenty of news in Johnson's story. The story speaks for itself pretty well, and there isn't much to add to it at this time.

I think the only thing that you can say and use as background and enlarge on, is the fact that industry as a whole, in every part of the country, in every kind of industry, I think without exceptions, -- I don't know of a single exception -- is coming along and showing a perfectly splendid understanding of the purpose of this whole thing. These proposed temporary agreements - they are not codes - represent merely an effort to start, during the month of August in every industry and in every section, to bring the purchasing power up and to close up some of that gap that we were talking about a couple of weeks ago between purchasing power and production. I think that is the only thing you can say along that line.

While it was true that agricultural purchasing power had fallen in the past ten years almost steadily until it had fall way, way below any proper relationship to industrial community purchasing power, nevertheless in the past two months agricultural purchasing power has come back in a very satisfactory way. It has come back, it has increased somewhere around eighty per cent. That is due to the very proper rise in farm commodity prices. Now, I am not talking about the speculative froth on top of those prices, but about the justified increase that has come into agricultural practice. However, industrial community purchasing power has not come up in a satisfactory way and these temporary agreements between employers and me - because it is an agreement between the employer and the President - are intended to increase or accelerate the purchasing power of the industrial communities.

Q What is the possibility of stabilizing retail prices?

THE PRESIDENT: In this proposed agreement there is a gentlemen's agreement with the employers that they will not take advantage by increasing their wholesale prices or their retail prices, either one, beyond a reasonable profit. In other words, we are all in the same boat and we are going to see whether we can work it out during this temporary period, this up-and-down period, and during this temporary period we will continue on the signing up of the big codes.

Of course, when they are all signed up there won't be any need for these temporary agreements to continue. In fact, the temporary agreements are expressly worded so that they will cease when the industry to which the employer belongs has signed up the permanent code.

Q What about the duration of those codes?

THE PRESIDENT: I think that will depend on the individual industry. In the case of the cotton code they had a specific time set in the beginning and then they asked for an amendment that it should continue until revoked.

Q I see where Sam Rosenman is back on the bench in New York. Do you want to say anything about that?

THE PRESIDENT: All I can say is what I can say out loud: That I am happy he is back on the bench because he is a very old and valued friend of mine, and I can add, off the record, that it is about time.

Q Do you care to discuss the temporary demise of the London Conference, for background?

THE PRESIDENT: How do you mean, temporary demise? (Laughter)

Q As the British say, "Not quite dead, but dead."

THE PRESIDENT: No, Fred, I think the only thing I can do is to talk to you off the record on that. Of course, it makes much better reading for a story to say that when the damn thing adjourns it will never come back. That is news. But actually, I do not think it is correct news because they have, in the past two or three weeks, been taking up seriously a good many of the important things that are in the agenda and they seem to be getting somewhere on quite a number of things. For example, I hope they will get something on wheat that will lead, even if it does not go as far as we want, to a later and more definite. agreement. I hope that Key Pittman will get something out of the silver thing that will lead to better things a little later on. It is my personal hope that when they do go away on the twenty-seventh, they should come back after the grouse-shooting season is over and the spa season is over and do a lot more work. They may stay through what the British call Michaelmas.

Q Is there any prospect that it will be resumed in Washington?

THE PRESIDENT: Not that I heard of.

Q Have you made any decision on the gold export?

THE PRESIDENT: That has not been talked of at all. The only thing about gold export would be that the

Attorney General is giving some kind of a ruling on what is "gold" to the Treasury Department. I have not seen it yet.

Q Is that the point about ore, whether you can export it or not?

THE PRESIDENT: Yes.

Q What is holding up the public works and the regional public works set up? Is that coming out before long?

THE PRESIDENT: To tell you the truth, just as soon as I can go through it. I am about half-way through now. Secretary Ickes is coming around tomorrow morning early and we will probably complete it then.

Q Are you going down the river tomorrow afternoon?

THE PRESIDENT: I don't know yet. I may go down tomorrow night.

Q How about the Boards of Review on the Veterans Administration?

THE PRESIDENT: That is on the point of coming out. I expect to have it ready on Monday, I think.

Q Have you any Ambassador in sight for Chile as yet? We heard that Mr. Jennings Price was being considered.

THE PRESIDENT: It is a new name to me.

Q Have you completed plans for going up to Hyde Park?

THE PRESIDENT: I think I will go next Friday.

Q How long do you expect to stay?

THE PRESIDENT: A week or ten days.

Q And then come back for how long?

THE PRESIDENT: A week or ten days.

Q Anything particular to bring you back?

THE PRESIDENT: Oh, just all these things.

Q I thought you were going to move your office up there.

THE PRESIDENT: It is much easier for one person to come down here than for seventy-five people to go up there.

Q Have you discussed with Hugh Cooper proposal for harnessing the tides in the Bay of Fundy? (Laughter)

Q I had to ask that.

THE PRESIDENT: I think you got the wrong Cooper. It is his brother.

Q Is that Dexter?

THE PRESIDENT: To satisfy Stevie, I am discussing with some very important scientists the elimination of fog in the Bay of Fundy.

Q (STEPHENSON) Look what the fog did to us.

Q How about the so-called married workers clause?

THE PRESIDENT: I don't know. The Civil Service Commission is studying the question at the present time. I haven't heard anything from them.

(The Press Conference adjourned at 4.35 P.M.)

CONFIDENTIAL
Press Conference #36
Executive Offices of the White House

July 26, 1933, 10.45 A.M.

THE PRESIDENT: What is the news this morning?

Q Mr. President, I hate to bother you again about the District of Columbia. I would like to know whether you have an appointment before you leave Friday or what your decision is in the matter.

THE PRESIDENT: We actually talked about it last night. When we will actually get to the point of making the appointment, I don't know but the thing is making progress.

Q How about the Boards for Veterans' Survey?

THE PRESIDENT: I think that ought to be out in about two or three days.

Q Before you go away?

THE PRESIDENT: Yes.

Q Are you satisfied with the response to your appeal to the country the other night on recovery?

THE PRESIDENT: I have not been able to read all the responses. There are about 15,000 telegrams; they are being classified. The response, I think, is a very wonderful thing. It comes from every part of the country and from every kind of industry, big and little. It was, in every way, successful.

Q Does the response assure its success?

THE PRESIDENT: Absolutely.

Q In other words, it starts the first of August?

THE PRESIDENT: Most of them started right off with a bang; as soon as they can put them into effect.

Q I thought they asked for the first of August?

THE PRESIDENT: A great many are putting them into effect immediately.

Q How many men do you think will be employed as a result?

THE PRESIDENT: I don't know; I don't want to guess.

Q Is there any announcement or statement you care to make regarding the employment of men on public works projects?

THE PRESIDENT: You mean the progress of the Public Works thing?

Q Yes.

THE PRESIDENT: We are getting on pretty well and will be releasing some more on Friday. Secretary Ickes is coming in again today with another list.

Q Are there any you can mention in advance?

THE PRESIDENT: We are approaching the billion dollar mark.

Q That is from this year's appropriation?

THE PRESIDENT: Yes.

Q There are a good many considerations to giving these contracts out on commission rather than by competitive bidding. Some engineers say that if you give them out by competitive bidding it would take months and months and the prices would be higher than if you just gave a commission.

THE PRESIDENT: The whole thing is based on a complete misconception of the facts. Most of the Government work will be done by the Government itself except, of course, a portion of the shipbuilding program. The bids to be opened today, those will go to private yards on contract and the balance, most of the rest of the public works, will go to some form of municipal Government or state Government. Of course the latter handle things under their own particular laws or regulations.

Q Do you mean to say that the Government is going to build post offices or aren't you going to build any?

THE PRESIDENT: Not very many of them, no.

Q Have you been able to work out a plan for the work on the Lower Mississippi?

THE PRESIDENT: Lower Mississippi?

Q Was that brought up to you by the Chief Engineer?

THE PRESIDENT: I think Secretary Ickes is talking to me today about that.

Q There is a problem in the upper regions of the Mississippi?

THE PRESIDENT: Yes. The whole project of the Upper Mississippi has been approved and it will cost 70 or 80 million dollars to complete it. They have done about 30 or 40 million dollars worth of work already. Of course the work that has been done is no use until the rest of the work is done.

Q Is that Flood Control and Navigation?

THE PRESIDENT: Both Navigation and Flood Control. There is very little power in that particular project. There will be a slight amount of loose power but not much firm power.

Q Is there any modification of the plans?

THE PRESIDENT: Not that I know of.

Q Has that been formally approved?

THE PRESIDENT: No.

Q How about the Upper Missouri?

THE PRESIDENT: That is among the projects they are bringing in to me. They have two projects up there.

Q Will you clarify the gold ore export situation. The Treasury has reached a decision as to when unrefined gold becomes bullion but it is not going to make the exact decision public. I was just wondering whether you could clarify that situation.

THE PRESIDENT: I am without a copy of the Attorney General's opinion in front of me and even if I read it to you you would not understand it any more than I would understand it.

Q You will have met the requirements if copies of the opinion are made available?

THE PRESIDENT: I suppose they will take up each case as it arises. If you read the Attorney General's opinion you would see that.

Q Have you acted on that opinion?

THE PRESIDENT: No, I don't have to act on it. It does not come to me at all.

Q It is a ruling, all right.

THE PRESIDENT: It is a request from the Treasury Department asking the Attorney General to answer certain questions and he has answered them.

Q There has been a great deal of talk about establishing a free gold market in this country. Can you give us any light on that?

THE PRESIDENT: I don't know a thing about it except what I have read in the papers about it.

Q Has any consideration been given to the payment of a bonus on newly mined gold?

THE PRESIDENT: Not that I know of. Of course there are a lot of people out doing placer mining at the present time. Somebody, I think it was Governor Rolph of California, sent word that they are making about $1.25 a day on the average.

Q The Brazilian Finance Minister in a statement issued yesterday said that Brazil would look with great satisfaction on the advent of an economic conference for the Western Hemisphere?

THE PRESIDENT: Aren't they meeting in Montevideo?

Q We don't think there is any necessity for one in advance of that?

THE PRESIDENT: I never heard of it. Of course all members of the Montevideo Conference are making preparations and holding informal conversations with each other.

Q Are we holding informal conversations?

THE PRESIDENT: When people come in and talk about it there is no formality that could be called a conference or a preliminary conference. For instance, Senor Pani is coming in here tomorrow on his way back from London and he will undoubtedly talk about the Montevideo Conference, also about trade relations between the United States and Mexico.

Q Can you tell us whether the news writers will be placed under a code or not?

THE PRESIDENT: Let us take a vote on it. (Laughter)

Q I understand they are placed in the category of white collar workers? (Laughter)

Q Can you tell us anything about the work of Professor Warren and his associates. They were going to make some recommendation relative to inflation.

THE PRESIDENT: I haven't heard a word.

Q Have you given any thought as to whom you might send down to the Montevideo Conference?

THE PRESIDENT: I haven't thought of it.

Q Your engagement called for Wiley Post coming in to see you this afternoon?

THE PRESIDENT: I think it is tomorrow.

Q Will he be received?

THE PRESIDENT: Yes, tomorrow. The Cuban Ambassador is coming in at noon today and a gentleman called Baron Johan Beck-Friis is coming in at 12.45. What it is about I don't know. You might ask Mac.

Q Is that today or tomorrow?

THE PRESIDENT: Today.

Q What are you going to do with the Emergency Board's dispute on the Kansas City Southern Railway?

THE PRESIDENT: You had better ask Louis Howe. The last I heard was Louis was trying to get a mediator who did not own railroad stock and that is a great difficulty.

Q Anything new on debts?

THE PRESIDENT: No, I have not thought of them.

Q Anything new about the Secretary of the Treasury. The reports came over last night that on account of his health he will not be able to come back.

THE PRESIDENT: No, that is hot-weather stuff again. The Secretary of the Treasury did have an awful cold. He had this streptococcus infection in his throat, the same thing I had, and it drained clear through his system and knocked him out completely. It is the kind of thing that takes weeks and weeks to get your strength back. He lost almost all the pounds he had. He is lying out on the porch and getting stronger every day and I talk to him over the telephone almost every day. He is keeping in touch with the Department and he says that he is coming up to Hyde Park next week to see me but I am going to ask Mrs. Woodin whether it is all right for him to go. He was completely knocked out.

Q On Treasury affairs, is there in contemplation any long-time bond issue to fund the present short-term obligations?

THE PRESIDENT: I cannot tell you yet. We have not made up our minds. Probably by the second or third of August -- in about a week -- we will have our plans for financing probably the August maturities, August 15 maturities, and possibly also the September 15 maturities, but what it will be we don't know yet.

Q Will that come out at Hyde Park?

THE PRESIDENT: It will probably come out at the Treasury.

How many people are coming up to Hyde Park?

Q About fifteen.

THE PRESIDENT: Have you made the Nelson House your headquarters?

Q That is where most of us are going to stay.

Q Morrison got back from the conference yesterday. Have you any appointment to see him?

THE PRESIDENT: Senator Couzens is coming down. He will be here tomorrow and he is coming down to see me tomorrow evening.

Q Do you contemplate any statement apro pos of the adjourn-ment of the London Conference?

THE PRESIDENT: I don't think so.

Q How about your weight reducing campaign, how is it coming along?

THE PRESIDENT: It came along fine. The grapes and cherries took off about ten pounds. (Laughter)

(The Press Conference adjourned at 11.43 A.M.)

CONFIDENTIAL
Press Conference #37
Executive Offices of the White House,
July 28th, 1933 - 4.10 P.M.

(Present: Secretary Ickes, Edward Flynn)

Q Mr. President, there are reports out this afternoon that the Government is taking some steps towards inflation of the dollar. Is there anything you can tell us about that?

THE PRESIDENT: It is a typical July story.

Q Off the record, Mr. President, can you fill us in on what the situation is on that? Personally I am as ignorant as a nincompoop on it all, and if I could get a little background or off the record --

THE PRESIDENT: On what?

Q On inflation and deflation of the dollar and so forth. (Laughter)

Q Is there anything I can get? (Laughter)

THE PRESIDENT: Stevie (Francis Stephenson), if you would offer me a hundred dollars to write a story I couldn't write it myself. There just ain't no news.

Q I could not offer it. (Laughter)

Q I see the Secretary of the Interior is here. Is there anything you can give us about public works programs, oil, the Mississippi Valley and the Channel?

THE PRESIDENT: Yes, I think we can do that. We studied this morning and approved the Grand Coulee project in the Columbia River. The amount involved is sixty-three million dollars. That is the initial amount. I think you had better check on these figures, because they are just purely from memory. The original, complete project called for a very large dam, I think about three hundred feet high.

Q Three hundred and seventy feet high, I think.

THE PRESIDENT: It was a dam that would have developed, as I remember it, over a million horsepower. At this time, however, it was felt that there isn't a present, ready market for that amount of power and therefore that the foundations for the full-sized dam will be put in but the dam will be only built to a height of about a hundred and thirty feet. Is that correct, Harold?

SECRETARY ICKES: I don't think it is that high.

Q A hundred and forty feet, I think.

THE PRESIDENT: A hundred and thirty or a hundred and forty feet. Initially it should develop four hundred and fifty or five hundred thousand horsepower.

SECRETARY ICKES: It will be the cheapest power in the country.

THE PRESIDENT: And the State of Washington, as I understand it, has authorized the creation of a power district which will be empowered to make a contract with the Government for the purchase and distribution of this power. I think you can also anticipate and say that the Board at its next meeting will also approve the immediate resumption of work on the nine-foot channel in the upper Mississippi.

Q Is there anything that can be said about the size of the appropriation or the amount of work that will be done within the year?

THE PRESIDENT: We haven't the figures. I think all you can say is this: That we propose to work it on the basis of completing it in between two and three years. I cannot tell you the actual allocation for this first year.

Q But the allocation of funds will be sufficient to enable the work to be completed?

THE PRESIDENT: It will be sufficient to cover all the work that can be done in the first year.

Q How about the Missouri, is that to be included also?

THE PRESIDENT: We haven't got quite enough reports from the Engineers of the Reclamation Service.

Q Mr. President, will you appoint a District Commissioner?

THE PRESIDENT: And one other----(Laughter)

I am not trying to avoid the subject of the District of Columbia Commissioners. I will come back to it in a minute.

There is one other project which I think will be approved next Monday or Tuesday. That is the Caspar-Alcova project in Wyoming. That is a very large project which is primarily for flood control. It is the first large one on the upper waters of the Missouri River. Actually, it is not on the Missouri itself, but is on the South Platte. Do you remember what the total of that is, approximately?

SECRETARY ICKES: Twenty-one million dollars.

Q Mr. President, pending ratification of the St. Lawrence Treaty, is there anything you can do on that?

THE PRESIDENT: No, I would rather you did not have this coming out from here. You can say that the question has been broached and it seems to be Administration policy. Several Senators, including Senator Vandenberg and some others, have asked me to set aside, out of this public works money, a hundred and fifty million dollars for the American share of the building of the

International Rapids Section of the St. Lawrence next year, pending ratification of the Treaty, but I, frankly, don't think that was within the intent of the Congress in appropriating the money. They wanted the money to apply to projects which could be immediately started and I think it would be flying in the face of Congressional intent if I were to withhold that money until next year in the hope that the Treaty would go through, so I don't think I can do it.

In regard to these projects, I think it is perfectly well at this time to make one thing clear: The Wyoming project, for example, has as its primary purpose the control of flood waters on the upper tributaries of the Missouri River. With that control there will be two other results, one power and the other sufficient water to use for reclamation purposes. Now, the very minute you start to increase the irrigation area in the United States, you run into the problem of additional crop production. At the present time we are all against additional crop production. What are you going to do about it? It will be good crop land. It will be irrigated land and therefore the Administration, in order to get this good crop land which will be a by-product of flood prevention, has decided that it will take out of production an equivalent acreage in sections of the country where such acreage is now being farmed on a submarginal basis. Submarginal land, in other words, is land which ought not to be farmed but is still being farmed. Now, that does not mean taking out acre for acre, because this reclamation land which will result from the flood control and this Wyoming project will probably produce three or four times as much in the way of crops as the submarginal land produces, and therefore it may, in all probability, be necessary to withdraw from cultivation three or four acres of submarginal land for every acre of new reclamation land that is being put into use. Therefore, we will undertake to acquire and take out of cultivation an acreage of submarginal land whose production is the equivalent of the new acreage of reclamation land which is put into use, so that the total production of crops will not be increased. Of course, at the same time we are taking off the soil, off that submarginal land, families that today cannot make a living working that submarginal land.

Q Will the submarginal land be used for forest preserves?

THE PRESIDENT: They will probably go back into the public domain and if there are lands which can be used for forestry purposes, we will put them into forestry.

Q Out of what funds?

THE PRESIDENT: Out of the same funds.

Q Is there any estimate of the acreage on the Wyoming project?

THE PRESIDENT: Do you happen to know how much, Harold?

SECRETARY ICKES: My recollection is about forty thousand.

Q That will be improved?

THE PRESIDENT: Yes.

Q Will this submarginal land be withdrawn, will that be confined to the same State?

THE PRESIDENT: Not necessarily.

Q Mr. President, the Attorney General has been in to see you quite often this week and he has discussed in detail plans for curbing racketeers and kidnappers. Is there anything you can tell us about that?

THE PRESIDENT: Not with me.

Q Mr. President; any consideration being given to a petition for a change in the processing tax?

THE PRESIDENT: Various petitions and requests went in to the Secretary of Agriculture and he does say, just for your information and more or less off the record, that it does not seem probable that the tax will be changed, although the Secretary of Agriculture is still studying it

Q Anything on the Blanket Code?

THE PRESIDENT: Not that I know of. I signed the Pajama Code. (Laughter)

Q Mr. President, you said you would come back to the District of Columbia.

THE PRESIDENT: Right. (Laughter) By Jove, I have not taken it up since I saw you last. (Laughter)

Q No appointments before you go?

THE PRESIDENT: No.

Q Have you decided on the Governor for Hawaii, in view of the fact -- (interrupted)

THE PRESIDENT: No, I have not, because I have been still up against the same old problem. I think I can tell you something for background information in regard to Hawaii: It is so far away that I do not know enough about it, and one of the problems is to get a better survey than we have for it - a survey of the whole judicial and policing system in the Islands.

The Secretary of the Interior has suggested that we should send somebody who knows the subject pretty thoroughly, a practical man experienced in judicial and policing methods, to make a study of the conditions for us and at the same time to give us a new report. There have been a good many reports in the past on the whole Organic Act that applies to the Territory. The Secretary just made that recommendation today and we are going to find somebody to go on out and make a report for us on the whole subject.

Q When is the administrative or supervisory authority under the Cotton Code to be appointed? There are three from the Government to be appointed and no such authority is set up as yet.

THE PRESIDENT: I don't know. I haven't a thing about it.

Q How about resumption of flood control work on the lower Mississippi?

THE PRESIDENT: I don't know. Do you know anything about that, Harold, lower Mississippi?

SECRETARY ICKES: No, nothing.

THE PRESIDENT: I don't think we have had a final report from the Army Engineers on that.

Q The work is practically stopped now.

Q Mr. President, is there anything to these reports from Paris that Baruch talked to Litvinoff and discussed with him the recognition of Russia?

THE PRESIDENT: That is another July story.

Q How about Secretary Hull and Moley to go to Treasury?

THE PRESIDENT: That is a third July story, in fact that is a July and August story.

Q What about the story that Governor Lehman will become Secretary of the Treasury?

THE PRESIDENT: That is a July and August story.

Q Who will be Secretary of the Treasury?

THE PRESIDENT: Mr. Woodin.

Q Mr. President, what about the Board to review the Veterans cases?

THE PRESIDENT: Those will be ready - I think General Hines will have them ready by tomorrow or Monday, the first ones.

MR. EARLY: General Hines made an announcement on that today.

Q He said on Monday.

THE PRESIDENT: They won't all come up at once. In the first instance there will probably be only five or six and then piecemeal over the next couple of weeks.

Q How soon can we expect some diplomatic appointments?

THE PRESIDENT: Not until the Secretary of State gets back.

Q Anything on the number of employers who signed these blanket agreements up to noon today?

THE PRESIDENT: The General is away and I won't hear until probably tomorrow afternoon. All I know is that they are coming in awfully fast.

Q Is there any likelihood of trade negotiations in the immediate future?

THE PRESIDENT: They are going on all the time.

Q Informally?

THE PRESIDENT: Yes.

Q Any callers over the week-end up at Hyde Park?

THE PRESIDENT: I think what we can do is this as far as the people who are going up there are concerned. We will get there tomorrow morning and there won't be a blessed thing doing over Sunday. We can put the lid on.

Q Okay on that.

THE PRESIDENT: That will be until Monday morning.

Q Have you appointed a Governor of the Virgin Islands?

THE PRESIDENT: Not yet.

Q Did you sign an Executive Order to round out those park areas in Great Smoky?

THE PRESIDENT: I don't know whether the Order has actually been signed or not, but it is going to be about a million and a half dollars.

Q Any more appointments tonight?

THE PRESIDENT: No more appointments tonight.

MR. DURNO: Thank you, Mr. President.

(The **P**ress Conference adjourned at 4.28 **P.M.**)

CONFIDENTIAL
Press Conference #38
The President's Home at Hyde Park,
August 2nd, 1933 - 11.55 A.M.

THE PRESIDENT: I've got a really good story, if you haven't heard it before. Irwin Steingut dropped in the day before yesterday. He is the Minority Leader, you know, in the Assembly. He told me that about three weeks ago he had been in the hospital. He had had a very serious operation and soon after his operation Mrs. Roosevelt and I sent some flowers from the White House to the hospital. Well, the flowers came and Irwin thought that he would thank me in person. So he lifts up the telephone receiver and he gets the telephone girl in the hospital and he says, "I want Washington." She says, "Who do you want?" He says, "I want to speak to the President." "Bang" goes the telephone receiver and five minutes later up come two doctors, an interne and an orderly from the psychopathic ward. (Laughter)

Well, the only real story today is in regard to the very grand Treasury financing. I talked this morning with the Secretary of the Treasury and the Undersecretary, and the five hundred million dollar offer of three and one quarter per cent eight-year bonds has been oversubscribed more than six times. In other words, the subscriptions up to the present time are over three billion dollars. On the August certificates, we asked for three hundred and fifty million dollars and over one billion five hundred million dollars was subscribed on those.

Q What is the rate on that, one and five-eighths per cent?

THE PRESIDENT: One and five-eighths per cent, yes. They have decided that the offering will be closed very shortly - closed right away - except for the small subscriptions under ten thousand dollars, and also the exchange of September certificates. We will let those remain open probably for two days longer.

Q I was under the impression that the financing has already been made down there and that they had closed the books except for the small subscriptions.

THE PRESIDENT: I think that is right.

MR. McINTYRE: I don't think so, Mr. President.

THE PRESIDENT: In fact, it is closed except for the small subscriptions under ten thousand dollars and the exchange of the September certificates. We have already had offers to exchange over a hundred and sixty million dollars, which takes care of a large part of those September certificates.

Q What was the total of the September certificates?

THE PRESIDENT: About four hundred and fifty million dollars.

Q That is, they exchange these September certificates for some of those securities going out in August?

THE PRESIDENT: The net result is that we have today, or will have when these are paid in on the fifteenth of August, a larger cash balance in the Treasury than ever before in the history of the United States, including war time. That is rather a significant thing. It will be a cash balance of about a billion five hundred million dollars. The net result of that will be that it will make the financing for the balance of the year incidentally easier than we even hoped for. In fact, it will carry us through until late in the Winter, right straight through, past everything, up to the first of January. We will only need about a billion dollars for refunding purposes plus such other sum as will be necessary to carry on the public works and the RFC needs as they come in, which will probably not run much over half a billion dollars. So, the Government, financially, is sitting very pretty.

Q This one billion five hundred million dollars, how does that cover the cash balance - the offers?

THE PRESIDENT: We have, I think, about seven hundred million dollars now.

Q And you won't take more than this eight hundred and fifty million dollars?

THE PRESIDENT: Of course, in a sense, that is only a temporary cash balance.

Q I meant the original subscriptions, you will keep them to eight hundred and fifty million dollars?

THE PRESIDENT: No; probably the total subscriptions and exchanges will run up to between one billion and one billion two hundred million dollars which will be accepted.

Q The exchanges will put that up over the billion mark?

THE PRESIDENT: Yes, and the small offerings, because we will take everything in the way of small offerings under ten thousand dollars.

Q Does this seem to pave the way for conversion of the Liberty 4½'s? Does it make it an encouraging outlook?

THE PRESIDENT: The only thing I can say on that is that it makes conversion more probable. Of course, it depends a good deal on market conditions between now and the first of October.

Q How much comes due then?

THE PRESIDENT: We can call the whole six billion but of course we would not call the whole six billion.

Q Is that the Fourth Liberty?

THE PRESIDENT: That is the 4¼.

Q The Fourth Liberty, is the total of that six or eight billions?

THE PRESIDENT: I think it is only six. There is another, too, some other kind of 4¼'s which I do not think is callable.

Q The Fourth is callable?

THE PRESIDENT: And I think the other two billion of 4¼'s are not callable.

Q I think they were all callable except the first three and 3½'s, which are not callable and are not taxable.

THE PRESIDENT: Yes, that was not taxable at all. I think this is six billion.

Q How much notice do you have to give?

THE PRESIDENT: Six months.

Q Some of the New York papers, particularly in their financial and editorial columns, have been playing with the report that you told various industrial and financial leaders that you will not exercise any of your inflationary powers until you have the first report -- (interrupted)

THE PRESIDENT: No, I will say it is part of the same drive as the letter that Mrs. Roosevelt got yesterday. This is off the record. A lady, who did not even sign her name, but was connected with a large corporation in Wall Street, I do not even know whether it was a banking corporation, an industrial company or a brokerage house, was very much upset because of the uncertainty in regard to her stock. She said that she had invested all of her savings in stocks and was now the owner of four or five hundred shares. She said that the charwoman also would like to know because she had bought one hundred shares of American Car & Foundry and had put all of her savings into that. Now, of course, if the charwoman bought a hundred shares, we know very certainly how that was bought. In other words, she had bought it on margin. Well, the one thing they wanted to know was whether I would exercise my powers of inflation or not, because it would affect her future security for her old age. I think some of the inquiries that you get are along the same line.

Q Then this recovery of the dollar in the exchanges in the last few days has been just entirely speculative?

THE PRESIDENT: No, no.

Q The financial columns have made quite a bit out of the recovery of the dollar in foreign exchanges.

THE PRESIDENT: What has that got to do with it?

Q They seem to have the impression in the exchange markets that the dollar is pegged.

THE PRESIDENT: What has that got to do with the price of eggs? I don't see any connection.

Q Mr. President, are you going to have something for us on racketeering and kidnapping?

THE PRESIDENT: I can give it to you now. I had a long talk with the Attorney General.

Q On the phone?

THE PRESIDENT: Yes. He made a request. I had it taken down and typewritten. He did not send me a letter, but his request is this: In view of the serious problems of the Department of Justice -- you will just have to use the gist of this -- don't use it in quotes or anything -- but just the gist -- in view of the serious problems of the Department of Justice and the law enforcement agencies are meeting because of the prevalence of racketeering, kidnapping and similar crimes, it would be helpful to the activity of the Department of Justice if they could have a brief study made of the laws, State and Federal, under which these crimes can be prosecuted; also a study of the enforcement methods - State, Federal and also foreign. He said further that while there has been a good deal of study of these subjects and a great deal of information concerning them, it is so scattered that the Attorney General would like to have what might be called a synopsis of the whole thing. Because of the practical knowledge of these and the studies already made by the Assistant Secretary of State, Ray Moley -- you know he worked on my stuff here in the State of New York along the same lines -- the Attorney General asks if it would be possible for Mr. Moley to make a brief investigation of the question for the Attorney General during the next few weeks. This would mean merely an interruption of his present duties in the Department of State for a very few weeks. He asks that he be allowed to do that as a matter of just temporary assistance to the Attorney General. So I have written to Undersecretary Phillips and have asked him to ask Assistant Secretary of State Moley to make this study. of the domestic and international phases during the next few weeks. That is all there is to it and there is not any other story behind it. It is just a temporary thing, taking possibly three or four weeks.

Q Before he resumes his post in the State Department?

THE PRESIDENT: Yes.

Q But will he retain his post?

THE PRESIDENT: Sure; that is why I said there was nothing further behind it.

Q Mr. President, have you heard when Secretary Hull arrives?

THE PRESIDENT: I don't know what day the boat gets in.

Q It is an eight-day boat.

THE PRESIDENT: I don't believe he will get in until Friday. He will come right up here unless it is midnight.

Q You said last week that Secretary Woodin --

THE PRESIDENT: Yes, he wanted to come this week but his doctor would not let him. This is off the record. He will come just as soon as the doctor will let him.

Q Have you any particular plan on this kidnapping and racketeering?

THE PRESIDENT: No. In other words, there is no plan for creating a board or for starting a special agency. We don't know enough about it yet. We are merely in the study stage. There is nothing we can say about what we are going to do, because we don't know ourselves.

Q Can you fix a date for your return to Washington?

THE PRESIDENT: I think probably the eleventh.

Q You will leave here on the eleventh?

THE PRESIDENT: Yes.

Q That means that you cannot possibly go to White Top Mountain?

THE PRESIDENT: I cannot possibly go to White Top Mountain but what is a possibility, but not yet decided on, is that we may go through Washington in the early morning hours and go on to some place down near the Shenandoah National Forest or Park and get out of the train about ten o'clock in the morning and motor back and look at two or three CCC Camps, because I haven't seen any. That would get us back in Washington Saturday afternoon, but that is only tentative.

Q Saturday afternoon?

THE PRESIDENT: Yes. You see, we leave here Friday evening about eleven and get down there Saturday morning and then motor back.

Q How long do you aim to be gone away from Hyde Park?

THE PRESIDENT: A full week.

Q And then you come back here?

THE PRESIDENT: Yes. A week or ten days in Washington, depending on how many things they have got.

Q It will be hot.

THE PRESIDENT: They say Washington yesterday and the day before was just terrible.

Oh, Stevie, I'm awfully sorry to spoil a good story, but it was only thirty miles an hour that I was driving, and there wasn't another car on the road at the time.

Q (MR. STEPHENSON) I tell you that is what my speedometer-- (Laughter)

Q You probably did not notice it.

Q You leave us flat like that again and we will make it eighty miles an hour. (Laughter)

THE PRESIDENT: I did happen to be going along, but what happened was this: The Secret Service got into one of the State Troopers' cars, and I don't know whether you have been through the Lower Woods Road or not. There is a very long, steep incline about two hundred feet long and, when you get over the top, there is a right-angle turn. They had a little difficulty getting up this steep grade and they stalled and I was gone when they got up to the top. (Laughter)

Q Have you received any requests for interference in this coal strike in Pennsylvania?

THE PRESIDENT: No, they are keeping me in touch with it.

Q Do you plan to take any action on it?

THE PRESIDENT: I talked to General Johnson about it, and also Miss Perkins. I have not talked to Governor Pinchot, but had a message on it.

Q Do you care to tell us what was in the message?

THE PRESIDENT: Just to tell me that the situation was serious.

Q Did that come today?

THE PRESIDENT: Yesterday afternoon.

Q Do you contemplate any action there?

THE PRESIDENT: No, nothing at the present time.

Q The Governor did not ask for any Federal intervention?

THE PRESIDENT: Oh, my, no.

Q Stories are coming up again on War Debts from Washington.

THE PRESIDENT: I saw it. (Laughter)

Q I think it was Ed's (Roddan) service that had it.

THE PRESIDENT: By gosh, it was.

Q Well, that particular story said that you did not intend to do anything.

THE PRESIDENT: That story was based on a hundred and twenty-five degrees in the sun.

Q No shed at all?

THE PRESIDENT: All of it.

MR. McINTYRE: We are all invited down to Henry Morgenthau's Saturday evening for a Dutchess County clam bake. Have you been invited?

THE PRESIDENT: I think I was, but I have another party on.

Q You could take both of them in.

THE PRESIDENT: No, because then you spoil both of them.

Q We understand you are going to be invited out to Vassar Friday afternoon.

THE PRESIDENT: This is wholly off the record. What I want to do is to go out to Vassar and go to the School of Euthenics. Did I ever tell you the story of the School of Euthenics? This is one thousand per cent off the record. When I was elected to the Board about 1924 and went to my first meeting in the Commodore Hotel in New York, there was present the Board of Trustees consisting of perhaps eight or ten eminent gentlemen and women from very prominent families. President McCracken presided at the Board of Trustees. He got up and announced various gifts that the College had had, and among others he announced the gift of the new Euthenics Building. I need not tell you the name of the donor other than to say that he was well known to us all and very beloved by all of us. Whereupon, being very innocent, I said, "Mr. President, would you mind telling me what the purpose of this building is or, I should say, what are euthenics? I never heard the word in my life." Well, McCracken got up and he waved at a lady sitting beside me. She was a very wonderful looking lady, she looked like a million dollars and had on half a million dollars worth of jewelry. So the lady looks at me and puts a lorgnette to her eyes and says, "Perhaps if Mr. Roosevelt were familiar with his Greek, he would realize that the word, 'euthenics', comes from 'eu', meaning 'well' and the word 'thenics', meaning 'the sense of living'. In other words, it means 'the sense of good living.'" And she sat down.

Well, I was properly and completely squelched. Then one of my fellow trustees alongside of me leaned over and said, "What she means is 'home economics'." (Laughter)

The building was given by a very marvelous lady who was, I think, connected with the Cadillac Motor Company out at Detroit. Well, I went down to see the building in its first summer of operation. I drove into the grounds and there, on the grass plot, I saw, oh, there must have been twenty long-haired men and short-haired women in a circle on the grass. In the middle of the circle were two unfortunate children, one about one year old and the other about two years old, and the motions of the children were being watched to see what they meant. So, if you want a real thrill, go down and watch the Class in Euthenics. (Laughter)

Q That is something else to do in Poughkeepsie.

Q You know, Mr. President, Ed Roddan has been trying to get up over the wall, but now he will have an opportunity to go through the gates. (Laughter)

Q Mr. President, this is local reporter. May I ask you about Mr. Townsend's visit with respect to the Home Day celebration?

THE PRESIDENT: We talked it over. I am not giving you a story because there are one or two things to be checked on first. I think they will have some kind of a story by tonight. I suggest you get in touch with Harold Clay and Jim Townsend. I will tell you who is coming up this afternoon, Admiral Standley and Rear Admiral Land. They are bringing with them the bids for the new ships.

Q Didn't Trammell send you a letter?

THE PRESIDENT: I saw it in the papers. I suppose he has.

Q On these new bids, Mr. President, they have not been accepted, any of them, have they?

THE PRESIDENT: No.

Q Do they have to have your okay?

Q What was the amount, two hundred and thirty-eight million dollars?

Q Two hundred and thirty-eight million dollars is right.

THE PRESIDENT: Of course, the larger part of that goes to Navy Yard construction.

Q Did you see the stories from Tokyo about the tremendous building program that the Japanese have? (Laughter)

Q The story was printed in Washington that Secretary Hull is considering a good will tour of South America and is going to take it up with you.

Q I think he was asked something about that and said that there would not be anything before the Montevideo Conference.

THE PRESIDENT: Of course, I have not discussed that with him one way or the other. I have no idea whether he will want to go down there or not. If he does, it will be fine.

Q We would appreciate it if you will give us something on this Navy thing this afternoon, something of some kind.

THE PRESIDENT: If the thing seems to be entirely in order and there is a definite recommendation for the award under these contracts, we may have a story. On the other hand, if they are not ready, we cannot do anything. Just entirely off the record and for your own information, about old man Trammell, he is very much concerned about getting this Gulf State Shipbuilding Company going down there at Pensacola. As a matter of fact, all they have got down there is a war time plant which is all covered with grass and going to wrack and ruin. It would mean, if they got a contract, that they would have to build an entirely new shipbuilding plant and, of course, they have been going to the RFC for two or three months to borrow RFC money to start a plant going. That is about their only qualification for building ships.

Q There seems to be some talk of having a canal down in Florida.

THE PRESIDENT: On that Florida canal, I don't think you had better write a story on it because it is still in the study stage. The War Department figures that for a thirty-five foot canal, the damn thing would not pay.

I mean it would pay its cost of operation, but it would not pay any money back, and what I am trying to do now is to get figures to see if a thirty-foot channel would save enough on the cost to bring in a return on the money invested. I am very keen, personally, about a canal, but I want to be sure that the thing is going to pay for itself.

MR. DURNO: Thank you, Mr. President.

THE PRESIDENT: We are making that study now.

Q Is that off the record?

THE PRESIDENT: I think so, because it is perfectly vague. It is still in the study stage.

Q Any plans for tomorrow?

THE PRESIDENT: No plans at all. Nobody coming, so far as I know. The Governor and Mrs. Lehman are coming down to lunch on Sunday.

Q Mr. President, Hugh Johnson announced this morning that at the request of Governor Lehman they had appointed Averill Harriman as Administrator for the State and Grover Whalen as Administrator for the City.

THE PRESIDENT: Yes, I was very glad to hear of that because they will make very excellent appointments on the NRA work.

Q What reports are you getting as to progress on NRA?

THE PRESIDENT: They are getting along pretty well with their codes, that is going on all the time. As a matter of fact, I think it is running a bit ahead of schedule. It is wholly satisfactory.

MR. DURNO: Thank you very much.

THE PRESIDENT: Don't work too hard, and remember thirty miles an hour. (Laughter)

(The Press Conference adjourned at 12.20 P.M.)

CONFIDENTIAL
Press Conference #39
Hyde Park, New York
August 4, 1933, 4.10 PM

(Pictures were taken of this press conference which was held out on the lawn.)

THE PRESIDENT: (Speaking of the time the returns had come in indicating his election as Governor of the State of New York) .... and a funny thing happened. We had about ten thousand people on the front lawn and they stood packed in, shoulder to shoulder, a couple of hours, and when they went away the grass looked all right, but about three weeks later the whole lawn just curled up and died.

Q Was that one of the reasons why you flew to Chicago?

THE PRESIDENT: Yes, it was cheaper. (Laughter) Yes, we saved money on that because we had to plow the whole thing up.

....

THE PRESIDENT: I told Mac to tell you that I did not know a thing.

Q He told us that, but it did not take.

Q Mr. President, there were reports from Honolulu today that you might have Professor Moley go out and make that survey.

THE PRESIDENT: Oh, Lord, no. We haven't got anybody yet. We are talking over somebody to go out.

Q Have you thought of Richard Metcalf himself? He should be -- he might be available to go.

THE PRESIDENT: I have not, Fred.

Q I don't know whether he is out at Omaha or not.

THE PRESIDENT: Ickes and Cummings were talking about it and let me have a list of four or five names.

Q That is the Honolulu thing?

THE PRESIDENT: Yes.

Q The fellows up at Albany are pretty hard up for a story and yesterday they figured it would be a good idea to have you send Mr. Moley up there to investigate this O'Connell kidnapping. (Laughter) So I am doing my part now; I am asking you about it. (Laughter)

THE PRESIDENT: Do you want me to ask Herbert Lehman about it tomorrow? (Laughter)

Q What is new in the steel strike situation?

THE PRESIDENT: Last night, about half-past eleven, I talked with General Johnson over the phone and he said he thought there was a good deal more possibility of straightening things out than there had been earlier in the evening. I have not heard from him today.

Q The Washington papers indicated you had asked him to intervene.

THE PRESIDENT: Oh, no. I don't think you had better use this at this end; it will have to come from down there. The Steel Corporation's Mines -- I have forgotten the name of the man in charge of it -- they had three questions to try to solve and they solved two of them and the third was going to be left to some kind of a committee. The United Mine Workers apparently were going to go along with that procedure. But whether the procedure will go through depends on whether the others will do the same thing as this particular Steel Corporation man.

I think you had better do some careful checking because that was the last thing I had on it. It may be entirely different today.

Q Was General Johnson to talk to the steel people today?

THE PRESIDENT: I suppose so; he talked up to eleven o'clock last night.

Q Was he hopeful of reaching an agreement today?

THE PRESIDENT: Yes.

Q Washington reports further indicated that if any agreement were reached it would be subject to your approval first of all up here.

THE PRESIDENT: I don't what that could be. You see, the only way I could come into it would be because of a request from both sides to name arbiters or something like that.

Q And they have not done that?

THE PRESIDENT: There again, I have not heard.

Q Have you heard anything from the Governor today?

THE PRESIDENT: Not from anybody.

Q Then you are not contemplating any action at all?

THE PRESIDENT: No.

Q These young men seem to be very much disturbed about your hurrying back to Washington, and cannot seem to make it out. Is it something important?

THE PRESIDENT: No, nothing at all. That was planned a long time ago. As a matter of fact, I had felt that I should be there these two weeks so as to tie everything in and go to a meeting of the Council. You can't keep in touch with things unless you are there.

Q Can you tell us something of the visit tomorrow of Secretary of State Hull?

THE PRESIDENT: No, there is only one new thing to be taken up and you cannot use it because it has to break from a long, long way off.

Q Is it going to be big when it breaks?

THE PRESIDENT: It will be important, but not front-page. I mean, it is a thing that ought to be front-page but won't be.

Q You will remain overnight?

THE PRESIDENT: Yes.

Q What did you say this was that is going to break?

THE PRESIDENT: It ought to be front-page but it won't be. (Laughter)

Q You break it and we will make it front-page.

THE PRESIDENT: I will tell you what it is, if you won't use it. It is a new agreement with respect to Haiti and is really a very important thing in our Caribbean relations.

Q Will it break down there?

THE PRESIDENT: It will have to break from Haiti.

Q Will it be all right if we tip Washington off to watch for it?

THE PRESIDENT: Yes, that is all right.

Q Who is going to break this?

THE PRESIDENT: The President of Haiti. I would rather you waited on advising your offices because I cannot do anything until I have talked with Cordell about it.

Q As soon as he arrives, it is all right for us to tip off the offices?

THE PRESIDENT: Yes.

Q Has Moley started on his survey as yet?

THE PRESIDENT: I assume so. I have not heard.

Q Anything recent from Cuba?

THE PRESIDENT: Nothing within the last two days and everything I got has been printed. Nothing new.

Q What do you hear on the Recovery Agreement, Mr. President?

THE PRESIDENT: Only what Johnson said last night. I think he has two copies on the way.

MR. McINTYRE: That is right.

Q Do you know what they are?

THE PRESIDENT: No.

Q How about the Shipbuilding Code? Has that been signed?

THE PRESIDENT: That was signed on the 26th.

Q It was signed on the 26th?

Q We may have you sign it tomorrow; you can't tell. (Laughter)

THE PRESIDENT: Perhaps it was not released. What happened was this: They were awfully anxious to get the Shipbuilding Code actually approved by me before they put the bids in because they had those bids scaled, A, B, C and D, depending on what the Code did. When I signed it around noon on the 26th, they put the bids in at four o'clock in the afternoon.

Q How about the conference the other day with the Admirals? I don't think they have given out their program down there yet.

THE PRESIDENT: It came out; don't you read your papers?

Q I will catch up with this news yet, if I keep on hanging around. (Laughter)

THE PRESIDENT: Do you know what I think? I think he was up at the conference at Vassar.

Q Yes, I was doing some homework. (Laughter)

Q Is Governor Lehman coming tomorrow?

THE PRESIDENT: Sunday, you mean? Yes.

Q Have you heard what hour the Secretary of State will be here?

THE PRESIDENT: He is coming right up. They will get him through the customs quickly. I suppose he has to pay duty.

Q In Washington there have been stories concerning the death of one of the Civilian Conservation Corps men in Yellowstone Park --

THE PRESIDENT: I read it in the American. I did not see it in any other paper.

Q Has it been called to your attention?

THE PRESIDENT: The Department of Justice would handle that just as a normal thing. They would go right ahead with the investigation.

Q It would not come to you at all?

THE PRESIDENT: No.

Q Can I quote the line, "read it in the American"? (Laughter)

THE PRESIDENT: It happened that I read it. No other paper carried it.

Q They carried it the second day; the New York Evening Journal carried it the day before.

Q Can we look for anything sensational after Hull's visit tomorrow?

THE PRESIDENT: No, I don't think so.

Q On the war debts? (Laughter)

THE PRESIDENT: No, and I have not appointed the D. C. Commissioners yet. (Laughter)

Q I was just going to ask you that. Do you think you will when you get back?

THE PRESIDENT: Look, I have said I was going to do it as soon as I got back every time I have been away, so you know what my word is worth. Nothing at all on that.

Q Every Saturday we get one or two.

THE PRESIDENT: I don't think there will be any more appointments until we get back, except that I have quite a lot of those Boards.

Q What kind of Boards?

THE PRESIDENT: Veterans' Boards. There are three or four more states this morning.

Q That is coming out down in Washington?

THE PRESIDENT: Yes, and then, too, there must have been four or five of the Public Works Boards to fill them out where people have declined.

Q Here is a good laugh. Did you notice in the paper this morning that Governor Olson is enroute to Washington and that if you recognize Russia he may be the Ambassador?

THE PRESIDENT: Are you sure he did not mean Mrs. Anne Dickey Olson? (Laughter)

Q On Stevens' visit, is there anything you can tell us about any new policy in the Commission or the personnel?

THE PRESIDENT: No, the chief thing we talked about was the setting up of the new Securities Division.

(At this point there was a pause for the taking of photographs)

Q This is the first day we have had outside since Washington.

THE PRESIDENT: That is right.

Q Do you expect to see anyone besides Secretary Hull tomorrow?

THE PRESIDENT: No. I expect to see Governor Lehman on Sunday.

Q Any other plans for the weekend?

THE PRESIDENT: Not a thing. I can't think of another thing. Oh, I am going down on Sunday night, I think it is, to dine with Henry Morgenthau, Jr., and there will also be present Henry Morgenthau, Sr. who will tell me all about wheat.

Q Has any decision been reached yet with Secretary Wallace on this acreage limitation so far as wheat is concerned?

THE PRESIDENT: I haven't heard a word on that, Fred (Storm). I think it is pretty nearly ready to shoot. I will tell you what I think I wish you would do, especially for the Western papers, although how you are going to do it, I don't know.

I was talking the other day about where we are putting new irrigated land into production that we would take out an equivalent amount of productive land and a lot of the Western papers carried that as saying that we would take out an equivalent acreage in acres. Of course that has got people awfully upset in a great many parts of the West because they realize that this new land will produce, as I said, two or three times as much in the way of crops as would these submarginal lands. What we are going to do is to take out enough acres of submarginal land -- maybe two or three or four times as much acreage in order to equalize the production. I think it is important, really, to get that across. It is not acre for acre; it is bushel for bushel.

Q Kind of upset them out there, didn't it?

THE PRESIDENT: Yes, of course.

Q You made that plain the other day.

THE PRESIDENT: I thought it was perfectly clear.

Q What they did was to lose sight of the fact --

THE PRESIDENT: They probably saw "an equivalent acreage" and then assumed it meant acre for acre.

Q What is the progress of the National Recovery Program? Can you give us something on that?

THE PRESIDENT: I would have to write that out because if I were to say, "Excellent" it would mean nothing and, if I go on to explain about it, I would have to think about it.

(Discussion, off the record, with respect to ball game at Pawling)

(The Press Conference adjourned at 4.32 P.M.)

CONFIDENTIAL
Press Conference #40
Hyde Park, New York

August 5, 1933, 3.30 P.M.

(Secretary Hull, who had just returned from London, was present at this conference.)

THE PRESIDENT: My Lord, I filled you up with news last night and this morning.

Q Yes, we did not finish writing until 4 o'clock this morning.

THE PRESIDENT: I did not get through talking until two o'clock.

Has the story been given out about the Committee of Seven? We had it, of course, last night but I thought it would be better to cut it into two parts because last night's story was good enough. This thing today is, of course, more important as a long-range proposition than the mere settlement of the one coal strike because it sets up the basis and machinery for the actual prevention of walkouts all through the industrial recovery period.

Q You mean lockouts and strikes?

THE PRESIDENT: Yes.

Q I suppose it is a safe assumption that once the coal code is adopted this coal commission will be more or less merged into the permanent set-up.

THE PRESIDENT: Yes. I imagine the permanency of it will be taken care of in the code itself in some way; there will be some kind of permanent machinery set up.

Q It is your hope that this board of seven and the machinery that is thereby set up will forestall any labor trouble during the whole period of the recovery campaign?

THE PRESIDENT: Yes, and especially because of the fact that in going into anything as new as this is -- like a code or even an agreement, it is a little bit like a new and complicated law; you have to construe it and interpret it. And the danger is -- like this Hazel strike down somewhere in Pennsylvania -- the mill owner says the agreement means this and the code means this, and the operator says it means that. The result is that there is a strike or a walkout, and this sets up the machinery which will enable them to keep at work until an official interpretation is made that will cover both sides.

Q And the Board will make that official interpretation?

THE PRESIDENT: Yes.

Q By the "national recovery period" you mean until each industry comes under a code, after which that will be taken care of in the separate code?

THE PRESIDENT: Of course nobody can guess in the long run what the final, permanent machinery may be. It may be some kind of central board or, on the other hand, it may be a board for each industry. Nobody can tell what the permanent machinery will be.

It is like that question they asked Hugh Johnson down in Washington yesterday, "Does this thing mean that there is going to be complete control over industry?" And somebody laughed, and he said, "It is a perfectly pertinent question." And it is a perfectly pertinent question. Of course, the answer is that we want, in the long run, to avoid as much as possible complete government management and put the responsibility, as far as is practicable, back on industry itself, but time alone can tell what the methods of arriving at that will be and how far it will go.

And then I approved two or three codes last night. Has that been given out?

Q They gave it out in Washington.

Q The electrical and the cloak and suit; yes, sir.

THE PRESIDENT: Yes. Of course that cloak and suit was one of the perfectly big triumphs because it was one of the industries difficult to get together.

Q I suppose these mediation plans are being given out in Washington, too.

THE PRESIDENT: Yes. But, off the record, there must be some very amusing stories out of Washington.

Q I don't think they have been able to get in much today -- we took it all.

THE PRESIDENT: It must have been amusing -- this is entirely off the record. Apparently Johnson got Pinchot in one hotel and Lewis in another and locked them in. And he got the Vice President of the Steel Corporation in a third hotel and locked him in and he kept them all there. And, at the psychological moment, he would bring two out and get them together and then the other two and get them together and work them around. Hugh Johnson has done a swell job on this.

Q It wasn't possible that you made a few suggestions, off the record?

THE PRESIDENT: No; handled it himself.

Q I think that ought to be written.

THE PRESIDENT: You couldn't write that about the governor of a sovereign state.

Q Or the sovereign Steel Corporation?

THE PRESIDENT: You may not.

Q I would like to tell them that I know about it. (Laughter)

Q Can you give us a general idea of the appeal that was given out last night? It was made public in Washington but we haven't had a chance to see it here.

THE PRESIDENT: Appeal?

Q The one on which the Board of Seven passed -- from industry and labor.

THE PRESIDENT: Well, they were unanimous. The two advisory boards were unanimous in signing it. One, of course, was the Labor Board and the other the Industry Board. I think it has been printed. It had those four paragraphs in it and it is a very momentous step. I compared it with the statement that Gompers made at the outbreak of the War because it was really as big as that.

Q What is the one you turned down?

THE PRESIDENT: I signed an approval last night of three dismissals of complaints by three separate mills against the Textile Code. They asked for exceptions to be made for their particular mills on the ground of hardship and on the ground that it would not work and on the ground that it was impossible to carry out the code. They were duly investigated by Johnson's office and hearings were held and in all three cases it was recommended that they be denied and they were denied.

Q Are those the first denials of such appeals?

THE PRESIDENT: Yes.

Q Were they southern mills?

THE PRESIDENT: I couldn't tell you. One of them was and I don't know where the others were.

Then on that confidential, off-the-record thing I told you about yesterday --Haiti. You cannot use any story because it has to break down in Haiti. There probably won't be anything out of there for a couple of days because there were certain changes in the language.

Q When does our Treaty expire down there?

THE PRESIDENT: In 1936.

Q Not until then?

THE PRESIDENT: No. It really is an important step and I cannot tell it to you because it has to break from there.

Q Can you tell us what Secretary Hull told you?

THE PRESIDENT: We have just been chatting, that is all. The Secretary, I think, was interviewed when he landed in New York this morning and there is nothing further to say on that. We have been catching up with a lot of things and talking about Haiti and Montevideo.

Q When will the Secretary go down there?

THE PRESIDENT: Haven't even got to that; haven't discussed it.

Q When is that conference?

THE PRESIDENT: December 1.

Q What can you tell us about that?

THE PRESIDENT: Nothing to tell you. I could not write a story on it myself.

Q Then I won't try.

Q Anything on the future of the London Conference?

THE PRESIDENT: We haven't got to that yet.

Q Anything on Russian recognition?

THE PRESIDENT: That we have not mentioned.

Q Do you expect to?

THE PRESIDENT: We have only been talking for a couple of hours.

Q You haven't got past Montevideo in that time?

THE PRESIDENT: No.

Q It must be a very important conference.

Q Can you tell us when you expect the London Conference to reconvene?

THE PRESIDENT: I don't know. I haven't any idea.

SECRETARY HULL: I gave the newspapermen this morning a statement in which I set forth the different agencies that are placed in charge of the recess work of the Conference with authority to call any local conference or special conference or regional conference or plenary conference at such time as their judgment may suggest in the light of the progress of the interim work that will be undertaken. They will have their meetings -- these agencies in charge will have their first meetings early in September, according to the present plans; that is, after most of the statesmen of the European countries return from their August vacations.

Q Do they all take the whole month of August off for their vacations?

SECRETARY HULL: President Roosevelt first called my attention to the fact that they leave promptly on the 12th of August and shoot grouse for how many days?

THE PRESIDENT: About a month.

Q I think we ought to get some grouse over here. (Laughter)

THE PRESIDENT: We have enough grousing in this country.

Well, there is one thing I can tell you literally and strictly and entirely in the family and off the record. The Secretary confirmed that one of the contributing agencies to the fact that the conference -- don't put this down -- one of the worst contributing agencies was the Continental and London press. It was rotten, absolutely rotten, and they gave us a dirty deal from the time we left here until we got home.

I would like to say a lot more on it. The whole press just ganged us from the start to the finish.

And their press were told what to say by their governments and of course the French press is owned by anybody that will buy it, and there you are. It was a rotten situation.

SECRETARY HULL: I have never been accustomed to a really bad press but I did get a good dose of it over there.

Q You are glad to be home then?

SECRETARY HULL: Yes.

Q And you will appreciate us now, Mr. Secretary?

SECRETARY HULL: It was an impossible situation.

Q That might make a little story. (Laughter)

THE PRESIDENT: I said that was in the family. You see, I could not feel anything about it one way or the other out loud but I can feel very deeply about it among us.

Q They are pretty well organized?

THE PRESIDENT: Yes.

Q They started off in this country before the Delegation went over.

Q We saw some of that in the Washington Arms Conference.

SECRETARY HULL: They are pretty well organized. A large cross-section keeps in close touch with their governments.

Q I have a technical question here. We had an agreement with Mac (Mr. McIntyre) before we came out that what we got from the Secretary would be held for Monday papers. That does not apply to industrial control, does it?

THE PRESIDENT: No; it just relates to the Secretary of State.

Q How would you write your Monday morning story? (Laughter)

Q Tomorrow afternoon, do you think you will be across the Atlantic? You are just down in Montevideo now. (Laughter)

Q Is there anything you or the Secretary might tell us about the progress of the trade agreements initiated by you while he was absent?

THE PRESIDENT: I don't believe the Secretary knows anything about it at all and all I know is what there was when I left Washington. In other words, they were going ahead with the informal conversations. Bill Phillips has been talking with various ministers and ambassadors in Washington. There are five or six countries. I don't think it has got beyond that stage yet and of course Brother Espil is out of it -- he is on his honeymoon.

Q Do you see a good deal of promise in that?

THE PRESIDENT: Yes.

Q There was a report in Washington, two or three days ago, that Secretary Hull was considering the possibility of a tour of South America before the Montevideo Conference.

SECRETARY HULL: I was asked this morning, down in New York, if I was going to attend the Conference and what I thought about it and I said that while I am intensely interested in anything relating to Pan-American relationships, I felt like I should get home and unpack my grip before I take up the question of another trip.

THE PRESIDENT: I want him in Washington, right close at hand.

Q When are you going back to Washington?

SECRETARY HULL: I have no definite plans. As I stated, there are two agencies that are authorized to conduct the interim proceedings during the recess. They will convene the fore part of September. They may commence subcommittee hearings on some phases of commercial policy, but until they convene and announce their plans for going forward with this recess work, naturally there will be no individual plans.

THE PRESIDENT: Where do they meet in September?

SECRETARY HULL: They will meet, I think, London part of the time and Geneva part of the time. I do not mean by that that the Conference proper would be removed from London. It is just a matter of convenience when they will be attending the disarmament proceedings, some of them.

Q What did you think of the Conference, Mr. Secretary?

SECRETARY HULL: Well, it was wonderfully interesting.

THE PRESIDENT: How did you like your first view of New York Harbor? (Laughter)

MR. STEPHENSON: Thank you, Mr. President; much obliged.

CONFIDENTIAL
Press Conference #41
Val Kill Cottage, Hyde Park, N. Y.
August 7, 1933, 7.00 PM

(This press conference was impromptu and no stenographic notes were taken.

(The President indicated that there would be no interference by the United States in the Cuban situation and that Sumner Welles would not go further than offer his good offices in endeavoring to settle differences.)

CONFIDENTIAL
Press Conference #42
Hyde Park, New York
August 9, 1933, 11.00 am

THE PRESIDENT: Frankly I don't know if there is any news.

Q Anything on Cuba?

THE PRESIDENT: I haven't anything. There may be something later on. As far as I know, there is no change from what the press dispatches have.

Q That is a very delicate situation down there and we realize it is hard for you to say anything.

THE PRESIDENT: It really is; I haven't any word at all.

Q Is there any way you can let us know or guide us as to what your policy is?

THE PRESIDENT: As far as policy goes, you have it perfectly straight and that is that we are acting as amicus curiae to the Cuban people.

Q What is that?

THE PRESIDENT: He would. (Laughter)

Q I don't know whether he is starting a new war down there or not. (Laughter)

THE PRESIDENT: We are using our good offices to help them straighten things out.

Q Does that mean a concrete proposal or a definite suggestion?

THE PRESIDENT: That I don't know. Welles is talking to them all the time to help them out in the nature of personal suggestions. There is no government action on our part. It is simply saying to Welles, "Go ahead and help all you can."

Q I think the point is whether or not we believe that Machado's retirement is absolutely necessary to help things out.

THE PRESIDENT: I don't know. In other words, that is a thing that they know in Havana better than we do. And, certainly, we cannot be in the position of saying to Machado, "You have to get out." That would be obvious interference with the internal affairs of another nation.

Q The stories say that Ambassador Welles has suggested that he take a leave of absence.

THE PRESIDENT: I don't believe that is accurate. I think you will probably find that those suggestions came from people down there in one of the parties or all three of the parties.

Q Assuming that Machado did go out, would that mean a special election in advance of 1934?

THE PRESIDENT: I do not know; I am not familiar enough with the Cuban situation.

Q Is there any Vice President?

THE PRESIDENT: No, there is not; that is the trouble. I think the Secretary of State becomes Acting President and I think one of their questions is whether the Senate or the Courts would have the right to elect a Vice President to become Acting President during the balance of the period. Now, that is the thing I cannot say anything about because I have never read their Constitution.

Q Isn't there also a question as to the eligibility of the present Secretary of State? He is not Cuban born.

THE PRESIDENT: Yes.

Q The election now is due in 1934, is it not?

THE PRESIDENT: Yes.

Q Would this leave of absence of Machado last until the regular election?

THE PRESIDENT: I have no idea. It is one of the things I am not talking about at all because I have no information on it. I have to be terribly careful not to be in a position of intimating that the Cubans get rid of their President.

Q Is it still critical down there?

THE PRESIDENT: Yesterday things were apparently quiet. Nothing in this morning's paper.

Q Has the general strike extended, or have you any information on that point?

THE PRESIDENT: I did not get anything on that at all.

Q Attorney General Cummings, will he bring anything up on this racketeer study you asked to have made by Moley?

THE PRESIDENT: I don't know; he is spending this week over in Greenwich, which is his home.

Q Have you heard from the Navy Yard workers down there who are making a protest on the ruling of Swanson to give them a cut in the hours and pay?

THE PRESIDENT: Of course on that Navy Yard thing, the action taken by the Navy Department is really what might be called a stop-gap during the period before we start the new construction at the Navy Yard. It will take about two months anyway and, in the case of some Yards, four months before they get the materials to start the new construction. It is the same with the Washington gun factories. In other words, some time in September we will take up the question of the definite hours and pay. It is only a temporary order.

Q What progress is being made on the plan for the dollar?

THE PRESIDENT: I cannot say "none", because then you would say, "there ain't going to be none." Nothing new about it. I just talked about everything yesterday.

Q How about Professor Fisher's visit?

THE PRESIDENT: Strictly between ourselves, as to Professor Fisher's visit, I think it was easier to see him and get it over with.

Q Can we blame Colonel McIntyre? (Laughter)

Q We will simply write that you called him in in order to be rid of him. (Laughter)

Q Again on Cuba, some time ago Machado was going to seek an American authority on election laws to go down there and prepare the way.

THE PRESIDENT: That has all been done.

Q Do you know who it is?

THE PRESIDENT: I cannot remember offhand. It has all been done and they put in an excellent report and everybody was pleased about it.

Q That was on the election laws?

THE PRESIDENT: Yes.

Q It is a revision of them?

THE PRESIDENT: As I understand it, the general objective of it was a general revision of the election laws so that they will carry out their election in approximately the same way the last election was held, where they asked us to come in and supervise it. Of course the object was to have a perfectly fair election without supervision.

Q We did not go in with troops the last time?

THE PRESIDENT: No. I think it was old man Crowder who did it.

Q What would have to happen in Cuba before we would send troops down there? Just what extremity?

THE PRESIDENT: Was it in the Tribune this morning -- there was an editorial which stated pretty well Elihu Root's definition. It would require a case of complete anarchy.

Q Complete disorder?

THE PRESIDENT: The Tribune had it right. They quoted Root and that seems to be a pretty good definition of the Platt Amendment.

Q Are you going to see Woodin tonight?

THE PRESIDENT: He and Mrs. Woodin are coming up this afternoon.

MR. McINTYRE: They will be here at six o'clock this evening.

Q What are you going to take up with them?

THE PRESIDENT: Mostly beg him to take care of his health and try not to do too many things at once.

Q Does his visit have any relation with yesterday's conference?

THE PRESIDENT: No more than I am doing with -- how many people?-- two hundred and fifty people.

Q Mr. President, are you having General Johnson pay any attention to the problem of bringing down prices, such as steel prices which, perhaps, have been held up quite a little?

THE PRESIDENT: Yes; they are getting surveys on the different commodities. Some commodities are too high; no question about that. I don't know whether steel is included or not and, incidentally, that does not apply to steel as a whole. It is mostly steel rails.

Q Steel for construction purposes too.

Q Have you any employment figures?

THE PRESIDENT: We won't get them until next week, the 15th.

Q Have you any information or figures, Mr. President, bearing on the prices of those things that enter primarily into the cost of living? What has been the range of those prices -- (Laughter)

Q That is a perfect question. (Laughter)

THE PRESIDENT: That is a perfect question and I hope it will mean more to you than it does to me. (Examining papers and producing a chart) Well, this is about the most important of these graphs. This up here (indicating line on graph) is the ceiling -- the top line and that is based on the commodity index, and here (indicating) is where it was from 1910 to 1914. I don't know how the hell you can write a story about this. And it is going up from there to there (indicating). That is the ceiling of 1910 to 1914 -- no, I am wrong. The 1910 to 1914 line is one hundred -- it is this line across here. So we are just about back here to that average of 1910 to 1914. That is the all-commodity index and it has still got to go to 1924-5-6, which is along there (indicating).

Q Is that the ceiling that you are after?

THE PRESIDENT: No, no; not that I am after. It is an arbitrary thing so that you can get other things in relation to it. Now, the price of gold has gone up there (indicating) -- that is the figure 120. Seventeen basic commodities were away below the all-commodity level and they have gone up away above the all-commodity level.

Now, the farm prices were lowest of all and they have come back, relatively, more than the all-commodity level. On the other hand, the retail food prices went down very little and they have gone up very little. And the cost of distributing food was always very, very high and hardly went down at all. It only went from the ceiling to there (indicating) and it actually has gone down. The cost of distributing food has gone down, which is a very interesting sign.

Q That is since the fourth of March?

THE PRESIDENT: (Nodding affirmatively) And probably it won't stay down because a lot of that was finished food stuffs on hand. The cost of living, of course, didn't go down very much and it hasn't gone up very much.

Q The cost of living is almost stationary, isn't it?

THE PRESIDENT: Yes, very little -- gone up a little bit.

Q Since March fourth?

THE PRESIDENT: Yes.

Q Is there any percentage or fraction of percentage that is available on that chart on the difference in the cost of living?

THE PRESIDENT: Well, this black thing here on these figures depends, of course, entirely on what has taken place. It has gone up from about -- you would have to average it -- it is about 130 -- or about 130 to 135.

Q (Francis Stephenson) What is that?

THE PRESIDENT: The cost of living.

Q On what base -- '10 to '14 as 100?

THE PRESIDENT: I don't know what this ceiling is. I should say, at a guess, it is somewhere around '24-5-6. There seem to be two ceilings in here.

Q Is that the level you are seeking?

THE PRESIDENT: No; I told you that already. It is merely a perfectly arbitrary thing to go at. You have to take some year. You can't catch me that way, Stevie. (Laughter) I have another from Morgenthau that took an entirely different ceiling. It is immaterial what ceiling you take, as long as you take a ceiling. If it had been based on the '10 to '14 ceiling, every one of these columns would have been higher, but the proportions would have been the same. It doesn't make any difference what ceiling, as long as you take one, to make or base some figures on. Then, over here, we have the four main farm crops and that shows what must be perfectly obvious, that the things that went down the furthest came back the most.

Q What were they?

THE PRESIDENT: Cotton, corn, wheat and hogs.

Q Mr. President, what is your general impression as to the meaning of the chart? Do you think it is a helpful sign that the prices are leveling off?

THE PRESIDENT: Yes, it does show, on the whole, a pretty good leveling out. The cost of distributing food, for instance, has not gone up, and the cost of living has gone up relatively a great deal less than, for instance, the U. S. farm prices or the 17 basic commodities because, if those 17 basic commodities go up an awful lot, it means a lot of distribution in the way of wages and buying power.

Q Do you think those are going up too fast for employment?

THE PRESIDENT: I think it is going along in a perfectly normal way. Of course, there was one period, like that July period, when everybody got to speculating and things went too fast; that got a perfectly natural corrective.

Q On employment, has there been a corrective situation?

THE PRESIDENT: Yes, it has improved a little bit. Those two things -- what was it? -- the production line had gone up faster than the employment line and the last week, just the preliminary figures show that the employment line has gone up a little faster than the production line.

Q I am not trying to catch you here or anything like that, but could you tell us what your objective is?

THE PRESIDENT: I could not because if you once start to say an objective, you tie it down to a certain specific thing and your specific objective may change at any time. It would be impossible to do it.

This part of it is, of course, all off the record. For example, suppose we bring the value of the dollar in terms of commodities up to a certain level. When the time comes, we may want to hold it there for a while and it may bring on some kind of an era of speculation and we may want to drop it a bit to prevent that kind of over-speculation. It is a thing on which you cannot put a hard and fast date or figure for.

The objective is, of course, to iron out the peaks and valleys. We seem to be doing it fairly successfully.

Q Does that go up to August 1st?

THE PRESIDENT: I think so, yes. It has got things through July. I don't think any of these other charts are particularly -- they don't mean a damn' thing except to an international banker. (Laughter) They are gold charts and here is another, "Domestic price of gold", it doesn't mean anything. These were got up by different people and don't agree with each other. Here is another, a third fellow who got up a chart on gold and wheat and he doesn't agree with the other fellow.

Q Do we need to look for any action in this record at all -- any action by you?

THE PRESIDENT: I would not either buy or sell. (Laughter)

Q I couldn't buy or sell if I knew. (Laughter)

THE PRESIDENT: I think things are getting along pretty well.

Q When do you expect your next employment figures?

THE PRESIDENT: I think we get them from the Department of Labor about the 16th.

Q Mr. President, are you going to have any other callers today on the list?

THE PRESIDENT: I don't think so.

Q Anybody coming tomorrow?

THE PRESIDENT: Adolph Ochs and his wife are coming tomorrow and also Buxton of the Boston Herald.

Q Is Mr. Moley coming up soon?

THE PRESIDENT: He is coming this afternoon -- some time after lunch.

Q Just one more question, although, perhaps, you won't want to say anything. Have you any indications as to whether Mr. Woodin's health is such that he might not want to remain in the Cabinet?

THE PRESIDENT: I don't think so. Of course, I have not seen him. He has taken a house in Washington. I think he has every expectation of using it. Of course, the time he will come back to work again depends on how fast he gets his strength back. For instance, he was coming straight through. He came through on a boat, then this morning he has to see a doctor in New York and then he is coming up by train this afternoon. They did not even want him to come up.

Q Mr. President, are you going to tell Ochs the story --

THE PRESIDENT: Charlie (Hurd), shall I tell him the story? I am afraid the old man is pretty old.

By the way, George McAneny is coming in this morning.

We will talk about sewers, I suppose.

Q Can you throw any light on the purpose of Moley's visit up here?

THE PRESIDENT: Just to tell me how he is getting on with his kidnappings.

Q Anything in particular in prospect there?

THE PRESIDENT: I don't know.

Q Who is Mr. McAneny?

THE PRESIDENT: Late of the New York Times, now the Commissioner of Sewers in New York. (Laughter)

Q Well trained, wasn't he? (Laughter)

(General discussion about train schedule from Hyde Park to Luray and newspaper men who are going to make trip.)

Q How many camps are you going to visit around Luray?

THE PRESIDENT: Two or three. One is at the place where we get off the train, and then one is at Luray, just on the north side, in the forest. The third is across the Shenandoah Valley to the camp by the Skyline Drive, which is in the Shenandoah Park.

Q Thank you, Mr. President.

(The Press Conference adjourned at 12 o'clock noon.)

CONFIDENTIAL
Press Conference #43
Hyde Park, New York

August 11, 1933

Q Mr. President, is there anything on Cuba?

THE PRESIDENT: I don't know what you can write about today. We are up against it.

Q We will have to use that Irving Fisher story -- the fact that he was kept waiting the other day. (Laughter)

Q Mr. President, are you going to make public the report on the Kansas City Southern?

THE PRESIDENT: Frankly I haven't the faintest idea where that thing stands. Didn't I appoint somebody?

Q Yes.

THE PRESIDENT: What has happened since then?

Q The report was made to Joe Eastman and he was to turn it over to you.

THE PRESIDENT: I did not even know the report had been made.

Q Anything on Governor Black getting out as Governor of the Federal Reserve Board?

THE PRESIDENT: I don't know a thing about it except that when he did come in he said that he was afraid he would have to get off later on and go back to Atlanta, but we have heard nothing from him since and we hope to goodness he will stay.

Q On Cuba, our understanding is that the Cuban Ambassador was to fly down yesterday?

THE PRESIDENT: This morning it was said he had intended to fly but there was bad weather and he was taking the train.

Q We got the impression that he is bringing down some general idea from you and that it was of such nature that he did not want to telegraph it and wanted to see Machado personally.

Q Reuters is carrying a story to the effect that the Ambassador is going to Cuba with an invitation to Machado from you to talk --

THE PRESIDENT: Reuters is French?

Q English, I think. (Laughter)

THE PRESIDENT: I think that is the only comment I can make on that.

Q For an overnight story tonight, do you know the names of those camps you are going to see so that we can designate them?

THE PRESIDENT: Three, all told. I think they are all on the east side of the Valley.

MR. McINTYRE: One is under construction now.

THE PRESIDENT: Yes, one is under construction now, I wanted to see that, and the other two are full-fledged.

Q Were the boys enlisted for six months or a year?

THE PRESIDENT: I don't know.

Q Are you going to keep them in during the Winter?

THE PRESIDENT: I would not write anything about it now for this reason: The general hope is -- I think it is better not to say anything because no decision has been made. We are studying the question, in the first place, of how many boys will stay for the Winter. There are about 314,000 of them now, including 20,000 Indians -- about 294,000 not including the Indians, and it is a question of how many will stay over the Winter.

The general idea is that we want to get as many boys back to regular employment as possible. In other words, it will encourage them all to go back if their families can find work for them or if they can find work for themselves. Now, how many of them will do it, we don't know.

Q Do you hope to accomplish much on that by Winter, Mr. President?

THE PRESIDENT: Yes. Then, of course, there will be quite a large number that will have to be kept over the Winter.

Q Will they be moved to southern camps?

THE PRESIDENT: When I said southern camps, I meant that they would be moved out of the heavy snow region.

For example, Major Walsh was up here the other day from Bear Mountain, down the River, and they have had such success with their winter camps that he said he could take on several thousand. Now, that would mean moving them down from the north to Bear Mountain.

Q Could you take care of them there?

THE PRESIDENT: They had great success last Winter.

Q You say that they had great success at Bear Mountain?

THE PRESIDENT: Yes; that was an ~~F~~SERA camp last Winter. I started it a year ago. In the same way, Governor Pinchot had a great deal of success with his camps and they kept them going through the Winter.

It doesn't mean moving them south out of the north, but merely moving them out of the heavy snow area. That is true, too, of the camps in the Rockies that are in the higher altitudes.

Q In that connection will (General) Johnson or any of his officials assist in getting the boys out of the camps?

THE PRESIDENT: That is a thing we don't know yet. That is a thing we have to study, as to encouraging them.

Q Did you say we may use some of this now?

THE PRESIDENT: There isn't a story yet. It is very general.

Q We might write about it tomorrow?

THE PRESIDENT: I think the only thing you can really write now is the fact that we are studying the problem of how to handle the situation during the Winter and that we hope that as many boys as possible will be able to get jobs. Also that the camps that are in the heavy snow belt will have to be moved down to some place where they can be kept going comfortably during the Winter. Of course it will mean that quite a number -- a good many thousand -- will be moved clear to the south.

Do you know that I allocated twenty million dollars for the acquisition of new forest areas and of that about fifteen million will go to round out existing national forests, preferably in places where they can work all during the year. In other words, they are out of the heavy snow belts and about four or five million will be to establish new national forests, primarily in the sufficiently far south to be workable all the year around. There are areas under consideration in Florida, Alabama, Mississippi, Louisiana, Arkansas and, I think, North Carolina. I don't think South Carolina is included. Of course the Tennessee end of it is being taken care of by the Tennessee Valley Authority.

One of the reasons for that is that the Federal Government has never had anything except very, very small acreage -- National Forest acreage -- in the yellow pine belt. The only state that doesn't come under that is the State of Georgia where they have not passed the necessary enabling legislation. I spoke to the Governor of Georgia about it when he was in Washington and if he has a special session he says he will ask for the necessary legislation to allow the Federal Government to own land in Georgia. Off the record, that was a lead for him to hold an extra session. They could sell about a million acres of land to the Federal Government.

Q They will be quick --

THE PRESIDENT: The old boy hasn't fallen for it yet.

Q Have you anything in connection with extra sessions -- anything on the question of repeal? I see where Arizona went about 5 to 1.

THE PRESIDENT: What do you mean, "extra sessions"? Legislative extra sessions? I told you about Georgia. I haven't heard from Kentucky.

Q I saw it in this morning's paper.

Q Are we referring to extra sessions? There was some talk of an extra session of Congress. I did not have the heart go ask about that.

THE PRESIDENT: In the event of repeal I think the old laws go right into effect, don't they? So much a bottle?

Q The State laws are the ones that will be affected.

Q There are certain questions that are not fully carried out by existing laws concerning the protection of dry States.

THE PRESIDENT: That is in the Amendment itself.

Q How are you feeling, and have you taken on any more weight?

THE PRESIDENT: Fine. All we can pray for is a cool week in Washington.

Q How long do you expect to stay in Washington?

THE PRESIDENT: I hope to get away Saturday and get back here on Sunday.

Of course there is an awful lot of stuff always piled up. I think Mac has told at least 15,000 people that I can see them Monday, Tuesday and Wednesday.

Q Anything at the White House?

THE PRESIDENT: I am going to sign the mail.

Q When you come back up here how long do you intend to stay, or have you determined?

THE PRESIDENT: Shall we tell them the possibility?

MR. McINTYRE: Yes, sir.

THE PRESIDENT: All right, Mac says, "Yes." This is still only a possibility.

Q We want it more or less for our own guidance.

THE PRESIDENT: I think you can use it for news so long as you make it clear that it depends on all sorts of things, not merely Cuba but a whole lot of other things too, such as Public Works and NRA and so on. I am leaving on Thursday, the 31st, as a member of the Nourmahal Club and returning to Washington via the Nourmahal.

Q I think that will hold all of us -- the Nourmahal. (Laughter)

Q How long will you be gone?

THE PRESIDENT: The only difference is that we will have to have a destroyer go along.

Q Any destination?

THE PRESIDENT: Anywhere.

Q Will the Nourmahal get you back to Washington?

THE PRESIDENT: Yes, Labor Day night or the next morning.

Q You are getting on right here?

THE PRESIDENT: Yes.

Q About how long a run is it on the Nourmahal?

THE PRESIDENT: About four days.

Q Four days at eighteen knots?

THE PRESIDENT: He is getting to know too much about navigation. (Laughter)

Q Who will be with you on that?

THE PRESIDENT: The same crowd. The only person who is lost is Kermit. He is somewhere down with Harry Roosevelt.

MR. McINTYRE: He is back; I talked to him the day before yesterday.

Q Are you going to stop to do any fishing?

THE PRESIDENT: I don't believe so.

Q It looks to me like a flying visit to Cuba. (Laughter)

THE PRESIDENT: I think you can safely guess that we will be somewhere in a quadrangle between Montauk Point, Nova Scotia, Bermuda and the Capes of the Chesapeake. It is perfectly safe that we will not get outside of that quadrangle. (Laughter)

Q About the second day out we will have you in sight of Havana.

Q And the third day we will have you changing your plans.

THE PRESIDENT: I will send you a radiogram giving you my latitude and longitude and hoping that you are the same.

Q Are you going to keep us informed of where you are?

THE PRESIDENT: Yes.

Q And who will report on what you are doing and talking about and thinking about?

THE PRESIDENT: The only extra person I will have to have along on this trip will be a decoder.

Q Who will be with you?

THE PRESIDENT: Judge Kernochan, Doctor Heiter --

Q He is from Savannah?

Q No, Mobile.

THE PRESIDENT: George St. George. I think that is all. Probably Kermit Roosevelt.

Q Any news on Woodin's visit?

THE PRESIDENT: I looked in Will Woodin's throat and it is the damnedest thing you have ever seen. It looked like raw beef.

Q What is it, tonsilitis?

THE PRESIDENT: It is that damn Streptococcus germ. It is what they used to call in the old days Quinsy sore throat. It takes a long, long time for it to clear out. It went to his kidneys and went all through his system.

Q Cheerful as ever, is he?

THE PRESIDENT: Oh, yes.

Q Is he going to try to carry on?

THE PRESIDENT: Oh, yes. The only protesting person is his wife. He insists on talking over the telephone -- just insists on doing it. Yet he is getting along all right and I told him I thought he ought to get away from that sea atmosphere and get up in the mountains. It is terribly damp down there.

Q Did Mr. Ochs have any news or was it just a personal call?

THE PRESIDENT: It was a personal call.

Q Off the record, did you tell your story?

THE PRESIDENT: No. (Laughter)

Q Can we look for anything further today?

THE PRESIDENT: Also off the record, the old man was so infinitely more radical than I am that I almost died.

Q Mr. President, any appointments?

THE PRESIDENT: No, I have not yet appointed the District of Columbia Commissioner.

Q Will you do it while you are back there?

THE PRESIDENT: I don't know. One thing, I have had a complete holiday for a month.

Q What would you write if you were us?

THE PRESIDENT: I would write, literally, watchful waiting -- that is about the size of it. But I don't like to use "watchful waiting" because it may have a connotation. You can use a different term with the same thought. That is about the size of it. That is about all there is.

Q Do you think there will be any report today?

THE PRESIDENT: I don't know; I have absolutely no idea.

Q The morning papers, at least one of them, published an interview with President Machado which said that if the Liberal Party would request him to get out, he would.

Q What sort of reaction are you getting from other Latin-American countries, if any?

THE PRESIDENT: Nothing at all, not a thing. The only thing they had was the protest of the Spanish Ambassador down there and the inquiry of the British Ambassador.

Q Here is a dispatch from Santiago, Chile, which came into our office. It seems to represent the attitude down there.

THE PRESIDENT: (Looks over dispatch) I think they are getting it down there, through the Latin-American countries, all right. I think they are getting it all right.

Q Hamilton Fish gave a pretty story and also lined up the successful and possible steps that might be taken on the Cuban situation. (Laughter) And the first one concerned economic and financial and political pressure. Now, it is my understanding that Machado has really lost the support of the big financial interests, the support he did have, ever since he lost the interest on the bonds. Do you have any comment, on or off the record?

THE PRESIDENT: Entirely off the record, here is the real situation on the financial end of it. It is far, far less important than one would suppose. Take the Chase and the National City Banks, they have just about given up hope of getting any part of their investment back and they are in the position of saying that anything they can get back is grand. They are not in a position to dictate or to ask for terms or anything like that. The major part of the investment is gone, hook, line and sinker, for all time and they know it. Therefore they are not much of a factor.

On the other hand, during the past four months, I have been talking with Cubans about trying to put the country back on its feet economically. There are various factors in that. I don't think you can use this unless you can use it without any possible connection with me -- leave me out entirely. I don't know how you can do it but I think you can say this: That for the past four months the State Department and the friends of Cuba in this country -- leaving out all reference to the White House or the Administration -- have been interested in doing everything they possibly can toward the economic rehabilitation of Cuba for the sake of the Cuban people and that that seems to involve perhaps three factors. The first factor is a land policy and, on the land policy, one of the difficulties has been that the tendency of the past ten or fifteen years has been to eliminate the small planter of tobacco and sugar. The small planter always gave a little piece of ground to his employees to cultivate. Therefore, they were almost immune from starvation. However, the centralization of the small planters into big units has tended to take the Cuban farmer off the land -- I mean off a little piece of acreage -- and concentrate him in the villages. Hence, when sugar or tobacco get in a bad way economically and they lay off people, those people are subject to starvation. Therefore our thought and the most intelligent Cuban thought has been to get people back on little pieces of land where they will be able to grow their own food supply.

The second phase relates to the Cuban debts, the Cuban National Debt. That is altogether too high. The external debt and the internal debt is too high, the rate of interest is too high and the amortization payments are too high and probably there should be, for the sake of the tax situation in Cuba, a complete reorganization of the Government debt, putting it on a lower interest basis and extending the period of payment, lengthening out the annual amortization, which would make the Government finances far easier to work out and enable them to reduce taxes.

Then, of course, the third factor is what we have been working at both in London and Havana and Washington, which is the original sugar agreement, which would tend to stabilize the Cuban situation. I think you can say that the State Department has been seeking a larger quota than the quota of 1,750,000 tons, which has been the figure discussed.

Q For Cuba?

THE PRESIDENT: For Cuba. Of course even a larger quota, such as 2,000,000 tons would be away below what their output was six or eight years ago.

Q Before the Hoover tariff?

THE PRESIDENT: Yes.

Q Was that 1,750,000 tons actually agreed on at that conference?

THE PRESIDENT: No. Nothing was agreed on. It was merely a figure for discussion.

Q Are you considering admitting that amount under the preferential tariff?

THE PRESIDENT: It would come under the preferential tariff.

Q Possibly the 20 per cent preferential might be increased?

THE PRESIDENT: I don't know; we have not discussed that at all. The whole sugar quota business is getting on pretty well. The Philippines are involved in it, of course, to a certain extent but they are coming along in pretty good shape with it.

Q Would this quota mean anything unless you did get the Philippines in on it?

THE PRESIDENT: Yes and no. We ought to get the Philippines in on it because, after all, the Independence Bill, if it is agreed to, puts the time for the 850,000 tons from the Philippines at five years. It is not a very long time that we have to worry about.

Q How about the Dutch? Would they come in under it?

THE PRESIDENT: In a sense, it is an original agreement. It means the United States, on the consumption end, and Mexico, on the consumption end, and then the producing countries that are in the neighborhood, Puerto Rico, Cuba, Mexico, which is also a producing country, the Philippines and Hawaii and then the beet sugar growers.

Q Is Mexico willing to go in on it?

THE PRESIDENT: Yes. We are getting excellent cooperation from Mexico on everything. First rate. Josephus Daniels is doing a good job and they like him a lot.

Q That is pretty good.

THE PRESIDENT: Do not connect me up with that because it should not come from me.

Q It is a good story.

THE PRESIDENT: And then, of course, the fourth factor in that is the continuation of the reciprocity tariff studies which we are engaged in at the present time.

Q I am not quite clear about the tariff on Cuban sugar. Under this sugar agreement, would a certain amount of Cuban sugar be admitted duty-free?

THE PRESIDENT: Not that I know of. I think you have a continuation of the present preferential tariff. I don't think there is any question about admitting it free. It is an attempt to equalize consumption and production.

Q This may be a stupid question but, if we do establish a quota of 1,750,000 or 2,000,000 tons for Cuban sugar, it would mean that amount could come in under the preferential tariff?

THE PRESIDENT: Yes. It means, in fact, limiting the amount of sugar production in Hawaii, limiting the amount of beet sugar production here, limiting the amount of production by general agreement in Puerto Rico and Cuba.

Q At present Cuba is free to send in anything she can?

THE PRESIDENT: Yes. It is trying to do for the sugar crop, beet and cane, which comes in here, what we are doing with wheat and cotton within our own borders.

I think there is one other thing to be said about it. It is interesting because really for the first time it sets up a logical geographical region for a geographical portion of the world and eliminates entirely the bringing of sugar, let us say, from the Dutch East Indies, which is distinctly uneconomical.

Q Is Secretary Hull in agreement with that?

THE PRESIDENT: Very much. You see, it is not an economic thing to bring sugar from the Dutch East Indies to the United States.

Q Thank you, Mr. President.

THE PRESIDENT: I will see you all tonight at 11 P.M.

Q And you will sail for Cuba on the 31st?

THE PRESIDENT: No. The only person I am worried about is Sam (Schulman, photographer, who was reported to be operating in the fighting area).

Q Have you had any protest on that?

THE PRESIDENT: No.

Q What makes matters worse is that the heaviest fighting is concentrated around Sloppy Joe's.

THE PRESIDENT: I haven't had a protest from the Herald Tribune.

Q He is probably living with Sumner Welles.

CONFIDENTIAL
Press Conference #44
Executive Offices of the White House

August 16, 1933, 10.52 A.M.

THE PRESIDENT: I don't think there is any particular news. Yesterday, in the Cabinet meeting I think it was, there were a couple of things I picked out as being worth emphasizing. On one of them I think I may be a bit ahead of time. The Department of Labor figures for July employment, I think, are going to be given out today so, if you will hold what I am going to say about it until they are actually given out by the Department --

Q I think they have been given out.

THE PRESIDENT: Is that that 7 per cent thing?

Q A little more than 6, yes, sir.

THE PRESIDENT: There are two significant things about the Department of Labor report. The first is that it is the third consecutive month we have shown an increase over the amounts for the previous year. This is only industry, in other words factory employment. That is something important to emphasize. Then, the July average is somewhere around 6½ or 7 per cent ~~increased~~ increase over the factory employment in June, which is very satisfactory. Another factor is that July is nearly always a month that goes down under June by 1 or 2 per cent, so we have not only stopped it from going down but we have had an increase which is really a good deal higher than that shown.

Q Do you recall the increase in payrolls?

THE PRESIDENT: Yes. It is the first time that payroll and the number of new employees have been on a level, which is also significant. You are not to break this until you get the figures from the Department of Labor.

Q Yes, sir. You said there were two subjects?

THE PRESIDENT: The other thing was something I picked out of the general economic report yesterday because it is one of those things that the public can visualize. The retail demand for automobiles remains strong for this season of the year and last week's production of new cars brought the total production for 1933 to date up to the full production for the entire year of 1932. I suppose that has been printed and stuck down somewhere in the middle of a story, but it is the kind of thing that means something to the average citizen. Automobile production up to about the tenth of August equals the full year of 1932.

Q Whose report is that?

THE PRESIDENT: That is a report of a gentleman whose name I do not know but he is with the Interpreting Economist.

Q That is a new branch?

THE PRESIDENT: It is one of those new ones.

Q There is a good deal of uncertainty, it seems, in view of the fact that so much attention is being concentrated on the NRA as to whether you are delaying or postponing,until you see whether that works out, any further efforts toward inflation or toward the commodity dollar?

THE PRESIDENT: That is the same old question put in another form. Everybody would like to know what is going to happen the first of September, October, November, December, and I could not tell them if I could tell them, which I can't.

Q You have not changed your financial policy in the slightest degree?

THE PRESIDENT: Not a bit, no.

Q How about the Virgin Islands, there was some talk of that?

THE PRESIDENT: There was a gentleman from the Virgin Islands, Mr. Anderson, came to tell me about conditions at the request of the National Committee Woman for the Virgin Islands. He told us of a great many things and I sent him over to Secretary Ickes of the Interior Department.

Q I have a report from Chicago that Judge Mullen (?) was to be appointed Governor of the Virgin Islands?

THE PRESIDENT: Did that come from Judge Mullen? (Laughter)

Q The Associated Press says that Governor Gore, in requiring all of his prospective Cabinet appointees to give him undated resignations before accepting office, is carrying out a policy of yours?

THE PRESIDENT: I think probably the best thing to do is to find out whether Governor Gore did require that. Certainly I have not required any signatures.

Q It is your pleasure.

THE PRESIDENT: I imagine it is a fairy story.

Q Mr. President, can you tell us whether Mr. Moley will participate in a preliminary debt discussion?

THE PRESIDENT: I haven't any idea at all. As far as I know there has been nothing done at all except what the Secretary of State told me yesterday about the suggestion from England that they would like to have a more or less tentative date.

Q We were under the impression that he (Moley) was going to handle these preliminary discussions until he took hold of the crime situation?

THE PRESIDENT: I do not think it has been considered.

Q Was any policy worked out in the Cabinet Meeting about public works funds for public building?

THE PRESIDENT: There has been no change in that policy. I think I talked about this before. Our difficulty is this: That on this list of public buildings approved by previous Congresses, quite frankly there are a very large number of those buildings, numerically, that haven't got any business justification for going through and putting them up.

We have already approved List A, which contains obviously necessary buildings. List B has been approved with the exception of one marine hospital in New York which they are still talking on. That leaves -- I think there are four more categories, C, D, E and F, that are being entirely re-examined to see whether or not there is business justification for putting them.

Q In what category are post offices?

THE PRESIDENT: In all categories. We have approved post offices in Lists A and B.

Q Any idea when you will be able to go through with that entire list of public buildings?

THE PRESIDENT: We released List B today -- yesterday. I suppose they will come along piece-meal as soon as we satisfy ourselves that there is business justification.

Q Are the Army buildings in that category?

THE PRESIDENT: On the Army buildings it is a much more difficult proposition because I have definitely in mind the elimination of a large percentage of Army posts. That is an awful shock. But I have been talking about it for a long time.

You have, for instance, one regiment, a thousand men strong, located in four different places. That is perfectly absurd. By concentration and elimination of posts, you can make a saving of a good many million dollars on overhead -- just on food alone. I have on the table an enormous, a big folder showing where every man in the U. S. Army is located. Until we can determine which posts are going to be permanent posts and which we are going to abandon, you cannot very well build buildings, because you might be putting them in posts to be abandoned.

Q Who is going to decide that?

THE PRESIDENT: I guess I will decide that.

Q Good.

THE PRESIDENT: Then, of course, there is another factor. A great many of the Army requests are for quarters. Well, of course the only justification for new quarters -- well, there are two justifications: One is that the old quarters are unsanitary -- unlivable. That is a perfectly good reason, assuming the post is going to be retained. The other is that there are larger numbers of officers and men being given money for accommodations and if we build the quarters for them, we could house them and not give them the money. If we can save money by building quarters for officers and men, that is all right.

Q Have you decided how many posts you will keep?

THE PRESIDENT: I don't know. I have just begun to study it.

Q Can you give us any indication of when that might be completed -- just generally, I mean?

THE PRESIDENT: As soon as we decide that such and such an Army post is going to be a permanent post, we will go over the buildings on the list for that particular post. We will start on some of those posts right away.

Q What is the fundamental ruling as to whether a post is necessary for permanent occupancy? Is it war strategy, border protection or purely economic?

THE PRESIDENT: All of those come in, every one of them.

Q Just how many posts have we?

THE PRESIDENT: I would be afraid to tell you.

Q Over a hundred?

THE PRESIDENT: Oh, heavens, yes. A great many more than that.

Q Mr. President, what is the subject of your conference this morning with Mr. Taylor and Mr. Schwab?

THE PRESIDENT: I don't know. They asked to see me yesterday afternoon.

Q You would not be taking up the steel code by any chance, would you?

THE PRESIDENT: Or the coal code. (Laughter)

Q Anything to say about the Cuban situation?

THE PRESIDENT: I don't think there is anything more to say. This morning the reports seem to be fairly quiet.

Q Anything more about your plans for economic cooperation down there?

THE PRESIDENT: Nothing further. I think Ambassador Welles has been talking with the new President and I think something will come from that end.

Q Several members of the Rivers and Harbors Committee are distressed because their program last Session is not receiving very favorable consideration by the Special Advisory Board. They left a list of 132 projects and the tentative list of the Advisory Board adopts only 29. They sent a letter down protesting against it.

THE PRESIDENT: I have not talked to Secretary Ickes about that at all. The fact that they may have approved only 29 does not mean they won't approve others.

Q We are sort of out on the limb on this employment story. Can't we use this and let the Department of Labor give out the balance during the day?

THE PRESIDENT: Because I don't know the exact figures. It is somewhere between 6 and 7 per cent. Anyway, I am pretty sure it is about ready to be issued. Another thing on that Labor Department report is that people, reading that employment has gone up 7 or 6½ per cent are apt to think that it is all employment. It is not all employment, it is based only on factories.

Q Does that include mines?

THE PRESIDENT: No, just factories.

Q Any reports on other employment?

THE PRESIDENT: The Government has never had any machinery besides these Labor Department indexes for other forms of employment. They are beginning to set those up. It is a very important thing to get. We do not know at this time.

Q Will your conference with Morgenthau have anything to do with the wheat situation?

THE PRESIDENT: No, I don't think we will talk about it at all. I see him once a week on farm credit.

Q Can you tell us anything about Diplomatic appointments to posts that are vacant?

THE PRESIDENT: You will have to get that from Secretary Hull. He has been going over various lists.

Q They refer us back to you. (Laughter)

Q Anything about your conference with Professor Hutchins? He said that whatever you said was all right with him and that is as far as we got. (Laughter)

THE PRESIDENT: I can tell you, off the record. It is just one of those things that there is no use to print anything about at the present time. So, if you will keep this off the record, I will give it to you. There have been quite a number of people anxious to have us do something for two classes of people we haven't done anything for. One is the unemployed teachers and the other is the young people, high school graduates that have just graduated from high school and can't find a job and they, if conditions had been better during the last few years, would probably have gone to college. Professor Hutchins felt we ought to try to work out some method of taking care of the unemployed school teachers and also of giving boys and girls a chance to go to college at Government expense.

But we only got to what may be called a very, very preliminary talk about it. Frankly, the objections to it are pretty serious, especially in the case of the Government paying for the boys' and girls' education because it would start the Government on a policy of paying for education which has always been a state and local matter and the chances are ten to one that we won't do anything in the way of sending boys and girls to college. It is just one of many thoughts to be considered. It is, on the other hand, possible that we may be able to work out some method of taking unemployed teachers into some of the CCC camps and using them not only for working in the woods but also for educating the boys in the camps. But it would be a drop in the bucket. We couldn't use more than five or six thousand of them, all told.

But it is all so indefinite that I would rather not say anything about it now.

Q How much money is involved in the Hutchins program?

THE PRESIDENT: Anywhere from twenty to fifty millions. If we start taking care of teachers, we are beginning to give special consideration to a class, and if we do it for teachers, why shouldn't we do it for boiler makers?

Q The Governor of Minnesota was here the same week about the same thing and he said he had obtained permission to use unemployment funds in the state provided it was charged to unemployed teachers. He wanted to take boys off the streets.

THE PRESIDENT: If some state comes along and says, "May we use some of the Federal funds to take care of very needy unemployed cases of a certain class," that becomes a state matter.

Q One of the powers given you under the National Recovery Act is to make income tax returns public. Have you done anything about it?

THE PRESIDENT: To tell you the truth, I had forgotten it was in it.

Q Thank you, Mr. President.

(The Press Conference adjourned at 11.12 A.M.)

CONFIDENTIAL
Press Conference #45
Executive Offices of the White House
August 18, 1933, 4.10 PM

THE PRESIDENT: I don't know that there is any story today. I can tell you a story about the CCC camps. We just this moment -- five minutes ago -- decided on what we are going to do.

We are going to do three things. Number one, I am going to send out to the boys in every camp, 314,000 of them, a personal message -- something along the line of an appeal to them that if they can find a job which does not displace somebody else from employment, to take the job at the end of their period of enrollment or before that, if the job is ready; that by so doing they will create a vacancy for some other boy who is out of luck and hasn't had a chance to go to camp.

Number two, that if any of the boys in the camp, after making an honest try, cannot find a job, we stand ready to re-enroll them for another six months.

Then the third thing really is a result of that policy. The CCC camps will be kept through the Winter at a total strength of 300,000 -- in other words, the present strength. That will involve moving about 1500 camps from the snow areas to the non-snow areas. The Army and the Forestry Service are now working on the location of those new camps in the non-snow areas.

I think that covers it fairly well.

Q How is this being financed from this point on? Have you the money for it?

THE PRESIDENT: I think we have enough money to go through with this plan.

Q Another six months?

THE PRESIDENT: Yes.

Q That is in your original appropriation, Mr. President?

THE PRESIDENT: Yes.

Q Do you propose to buy any more additional lands in warm regions?

THE PRESIDENT: Nothing more than what was authorized six weeks ago. As a matter of fact, on that newly purchased land, we have plenty of land that we can put them on. Of course we have to get some of the titles cleared.

Q Does that mean that all of them will go to the south?

THE PRESIDENT: Oh, no. They will go to non-snow areas -- that is to say, areas where the snow conditions are not impossible. For example, take Bear Mountain Park up on the Hudson River. Of course, in a sense it is a snow area, but it is perfectly possible to stay there and the superintendent of the Park has recommended to us that six more camps be maintained there during the Winter.

Q Doesn't this involve moving about one-fourth of the camps?

THE PRESIDENT: Just about.

Q How are these additional men to be enrolled?

THE PRESIDENT: Same process; primarily from the relief lists.

Q How many camps would we have to move?

THE PRESIDENT: About 1500. There are about five thousand of them altogether.

Q I was just wondering when that six months' enrollment does end. Do you recall, offhand?

THE PRESIDENT: Averages between the first of October and the 15th of November. Of course there are a few people who came in later, whose enrollments are not up until January.

Q You think the new enrollees will be about the same as those who leave.

THE PRESIDENT: I think so. On the total number of camps, I am off in my figures. The total number is 1450 camps and about 450 of them will be moved.

Q Mr. President, what can you tell us about the conference with the labor railway executives today?

THE PRESIDENT: The only thing I can tell you is that it is so darned complicated that I do not understand it yet. We took up various problems which I will have to discuss with Commissioner Eastman. There are six or eight different points relating to consolidations and expenditures of railroad funds for the maintenance of company unions -- things coming under the jurisdiction and power of the President under the NRA -- consolidations and payments of employees where they move them from one place to another, a lot of more or less technical things.

Q Do they want the railroads under the NRA?

THE PRESIDENT: What?

Q Do they want the railroads under the NRA?

THE PRESIDENT: They cannot get the railroads under the NRA. The operate under an entirely different Act. What they really want is that the general principles of the NRA should be applied to the railroads, which is strictly true. In other words, it is not a question of the actual administration of it. It is a question of carrying out the principles of employment, which is all right.

Q Have you received the Oil Code yet?

THE PRESIDENT: Not yet. I hope to get it tonight.

Q Do you contemplate signing it tonight?

THE PRESIDENT: I have not seen it since the preliminary form yesterday morning. I will have to read it before I sign it.

Q Who will administer the Oil Code?

THE PRESIDENT: It provides for a Government agency which probably will be a combination of the Bureau of Mines in the Interior Department and the President. How you are going to explain that, I don't know.

Q Will there be any specific one man administrator on it?

THE PRESIDENT: I will do it, probably.

Q What about the District of Columbia Commissioners?

THE PRESIDENT: I have got good news on that. Jim Farley is going to come to Hyde Park some time in the next two weeks and talk to me about that.

Q That is progress. (Laughter)

Q We have reports that Ambassador Welles is sending up a report concerning the sending to Cuba of a commission of financial experts to aid in the economic rehabilitation of Cuba. Has that reached your notice?

THE PRESIDENT: I have not heard about it at all.

Q Have you given it any consideration?

THE PRESIDENT: No.

Q There is also a report that Ambassador Welles is coming back to take a place as Assistant Secretary.

THE PRESIDENT: Off the record, that is just a guess.

Q There is a report from New York today that you are considering sending an air squadron to Italy to return the visit of General Balbo. Is there anything to that?

THE PRESIDENT: I will tell you the answer to that. It is very simple. This is off the record too. When I gave the luncheon to brother Balbo, I made a little speech and I said, in the course of my speech, that I hoped some day we could return the visit. That is all it was, just a polite little gesture on my part at a luncheon.

Q They probably put you right on record after they got out of Washington.

(Mr. Early spoke to the President.)

THE PRESIDENT: I think you know that the only destroyer in Havana is going away or has gone away.

Q The State Department announced that, sir.

Q What is the prospect for the Coal Code?

THE PRESIDENT: They are engaged at the present time in trying to go through these twenty-seven different codes and make them one. It is a long and very complicated mechanical process and General Johnson called me up on it and he did not think they could possibly get them consolidated into one code until some time tomorrow and of course until that is done that unified code, you might call it, cannot be submitted to any of the coal men. They are all working on it.

Q Do you look for it tomorrow?

THE PRESIDENT: Only the first draft of it. I doubt very much if they will get the Coal Code into shape to be approved by tomorrow night. They may be able to do it, I don't know, but I think for mechanical reasons it will have to wait over until Monday.

Q Do you hope to get the Steel Code before you leave?

THE PRESIDENT: I hope so.

Q Can you give us any idea of what you told Taylor and Schwab yesterday during that long visit?

THE PRESIDENT: I cannot tell you.

Q Have you approved any of the Army public works projects yet?

THE PRESIDENT: No, they are having a meeting on it today, another one tomorrow and another on Tuesday.

Q Mr. President, is there anything more on the Navy Yard situation?

THE PRESIDENT: No, it is being studied by the Secretary. I had a long talk about it today. What I am trying to work toward is a very simple principle, and that is that we undoubtedly have to cut Navy Yard hours but that, in cutting Navy Yard hours per week we should not cut the pay envelopes at the end of the week by more than the same percentage as the hours are cut; and, under the existing temporary order, it does cut the pay envelope at the end of the week to a greater extent than the number of hours. We are now trying to work it out so that the two will balance each other.

Q Just what is the situation with respect to the Steel Code?

THE PRESIDENT: I don't know; I never saw it at all. I have not gone into it at all. That is the best answer to it -- that we did not talk Steel Code yesterday.

Q That complicates it. (Laughter)

THE PRESIDENT: We talked mostly coal.

Q In the case of the Coal Code, have you decided to apply the Code to the whole coal industry?

THE PRESIDENT: I have no idea of what has happened to it. What we talked about was coal.

Q There is no chance, according to General Johnson, of getting all the coal people into one system, so I wondered whether you had concluded in your mind --

THE PRESIDENT: I am afraid that is an "if" question because we haven't got to the stage of considering it yet.

Q Is it also a guess that Caffery will replace Welles?

THE PRESIDENT: That is a pretty good guess. That is an old story. It came out about a month ago.

Q Have you talked to Secretary Wallace about the sugar stabilization agreement?

THE PRESIDENT: No.

Q McCarl made a ruling the other day that all contracts must be fulfilled regardless of increases in price. Have you noticed that at all?

THE PRESIDENT: I have it in that pile (indicating). I have not read it yet. It is possible we may have to have legislation before we can do anything.

Q Legislation along what line?

THE PRESIDENT: I don't know. The simplest way of putting it is legislation to prevent actual injustice but only that, not to guarantee profits.

Q Senator Schall discussed the prospects of deepening the Mississippi River Channel to 12 feet. Is that contemplated?

THE PRESIDENT: No. I am afraid that he was talking about a thing which I talked about -- it is one of those purely speculative things. It has been the Government's policy right along on its inland waterways to confine the depth of its channels to nine feet. Of course, it is a very old policy, going back about thirty years.

There is a question as to whether nine feet is, commercially, a practical depth. For instance, we, in the State of New York, in the old days of the Erie Canal, we had 8 or 9 feet depth in the channel and we had canal boats which could only carry two or three hundred tons. Then we put in a 12 foot depth and instead of increasing that tonnage 50 or 100% on a 12 foot depth, you could put in a barge, which will carry 1500 tons.

The general progress of transportation has been such that there is a question as to whether, for our inland waterways, nine foot channels are the right size to build from a commercial standpoint. I was talking to the Senator in just that way -- just as an abstract proposition.

We are going ahead with the upper Mississippi on the nine foot plan. A good part of the work has been done on that plan and we are going right ahead with it.

Q What time are you leaving tomorrow?

THE PRESIDENT: 11 o'clock, if that suits everybody.

Q At night?

THE PRESIDENT: Yes.

Q There was a story in the paper that you are going tomorrow morning.

THE PRESIDENT: No.

Q Any progress reported on the lower Columbia River?

THE PRESIDENT: I have not had a report on it.

Q Have you decided definitely about the Army posts to be abandoned?

THE PRESIDENT: Nothing.

Q Any information on the progress of the Lumber Code?

THE PRESIDENT: Not a word.

Q Are you deciding on this Federal Oil Agency at the same time you sign the Code?

THE PRESIDENT: We will get the Agency going just as soon as we possibly can, also the Oil Committee, which is a Committee of about twelve, is it not?

Q Is the Code going up today?

THE PRESIDENT: We hope to get it through tonight.

Q Won't there be something in the nature of the set-up contemplated for the Coal Code?

THE PRESIDENT: Frankly, I don't know any of the details of the Coal Code.

Q Have you given any consideration to Philadelphia's new courthouse? (Laughter) It is a public works proposition.

THE PRESIDENT: It is on the list and I cannot remember whether there is an okay or a "no" on it.

Q How can I find out, sir?

THE PRESIDENT: Ask Secretary Ickes.

(The Press Conference adjourned at 4.35 PM)

CONFIDENTIAL
Press Conference #46
Hyde Park, New York
August 23, 1933, 9.58 AM

Q Mr. President, have you heard anything from General Johnson on the Coal Code?

THE PRESIDENT: I have not heard a word. He called up the night before last at midnight.

Q I understand you favor the French Plan of arms control, which it sets up.

THE PRESIDENT: Have you ever read the French Plan?

Q No, sir.

THE PRESIDENT: I thought not, nor do I know what the latest French Plan is. I really don't.

Q Do you favor supervision?

THE PRESIDENT: You really have to have it.

Q But not the French Plan?

THE PRESIDENT: I don't know what the French Plan is. It changes every week.

I don't know what you can write about.

Q We will write about the return trip.

Q Do you expect anything at all on the Coal Code?

THE PRESIDENT: I doubt very much whether we will get anything on that.

Q Is Farley coming this week?

THE PRESIDENT: Either Friday or Monday.

Q How about Secretary Woodin?

THE PRESIDENT: Tomorrow.

Q Thank you, Mr. President.

(The Press Conference adjourned at 10.00 AM)

CONFIDENTIAL
Press Conference #47
Hyde Park, New York
August 25, 1933, 3.55 PM

THE PRESIDENT: Steve jotted down various notes for me to suggest. During last week Whitney, the Chairman of the Railway Labor Executives Association, came in and took up various matters. Most of them were technical matters and have been handled by the Railroad Administrator. There was one, however, which related to actually putting the railways under the NRA. We checked up on that and it seems to be perfectly clear from a reading of the law that there was no intention on the part of the Congress, in passing the NRA Act, to include the railroads under it because they had previously been provided for in a series of railway labor acts. So Mr. Whitney -- I advised him that it was the legal opinion that they did not come under the NRA, but at the same time that the Administration was going to do all it could to see that railway labor as a whole -- railway employment as a whole should be brought into compliance in principle.

Q Sir?

THE PRESIDENT: As far as possible with the NRA principles.

Q Do you know Whitney's first name?

Q A. L. [A.F.]

MR. EARLY: I have it. I will give it to you when we get in.

THE PRESIDENT: Then we were talking the other day about one thing. I don't know whether you could write a special story on it or not. For the first time in modern history there have been very far-reaching negotiations conducted between the Government and industry and the component parts of industry -- employers and employees -- with almost a complete absence of the legal fraternity in the negotiations. It is a rather interesting point. When the NRA first started, I was talking with Johnson and some of the others -- some of the members of the Cabinet -- about these hearings, about trying to get agreements, and I said, "Do you think it would be a possible thing to have the employers there and the employees there and have no lawyers?" I said, "Well, it is worth trying." So we went ahead and the negotiations have been conducted with an almost complete absence of any legal arguments. And it marks, I think, a very great step, an advance, in getting rid of what some of the Albany crowd know was one of my pet bugaboos, and that is long-drawn-out legal procedure. In other words, we have a straight man-to-man direct hearing without the interposition of expensive, highly paid and wholly unnecessary lawyers.

Q (Mr. Storm) As Al Smith would say, "We will can the Court of Appeals language." (Laughter)

THE PRESIDENT: And the same way, the Codes themselves, if you will look at the language, are singularly free from Court of Appeals language.

Q (Mr. Stephenson) What are you going to do with these unemployed lawyers? (Laughter)

THE PRESIDENT: Do you know, there again there has been a good deal of discussion in the profession to prevent overcrowding of the profession by reducing the number of new people taken in at the bottom into the profession. Of course, that applies to school teachers, too. That was one of my problems in the State of New York, the fact that in the State in the last few years there have been ten or twelve thousand qualified but unemployed and yet we keep turning them out at the rate of several thousand a year.

Steve (Early) talked to you about the visit of the Secretary of the Treasury. We talked about everything except the two things you think we talked about. (Laughter)

Q Mr. President, on that line we understand inflation was not discussed and also we were told, indirectly, that there will be no inflation for the time being.

THE PRESIDENT: There again, there is no use discussing inflation unless you define to me what you mean by "inflation".

Q I know the technical meaning --

THE PRESIDENT: There is no such word because no two people interpret it the same way. Just up against it.

Q How about the bill passed by Congress -- open market operations and new currency?

THE PRESIDENT: We could go ahead -- this is off the record -- but there is no use getting into a long technical discussion. We can probably cover the situation in six or eight ways never mentioned by the Congress.

Q Credit expansion?

THE PRESIDENT: All sorts of things -- all kinds of credit expansion. Let me give you a very simple illustration, which you cannot use. I talked this morning with Will Woodin, and this has to be off the record because the thing was never discussed until this morning. I said, "Will, you know there is a lot of complaining in certain sections of the country. Some towns will have complaints and some won't. In the town where there is a complaint, the local banks won't lend money on what the borrower thinks is a perfectly good risk. They are just hanging on to their cash. Is there anything we can do to encourage that kind of bank to push out its money?" He said, "It is well worth exploring." So he is going to talk it over with the Federal Reserve people to see if we can't find a way to get money out to the perfectly proper borrower. Now, that is a form of inflation. It has nothing to do with the Act that was passed.

There are lots of things and lots of ways and that is why any story that says we are going to inflate or not going to inflate doesn't get you anywhere. In other words, you come down to the same principle we have had for four months and it has not changed. I told you, frankly, that we are going to hold up commodity prices and eventually we hope that commodity prices will go higher. That is background -- you can use it. In other words, that the policy has not changed one iota since just about the first of April.

Q And the policy is?

THE PRESIDENT: The policy is to try to bring it back. After all, it is the same thing I said in the message to London -- try to bring the dollar back to somewhere near where the debtors of the country contracted the debt -- that type of dollar. The policy has not changed at all. There are fifty different ways of keeping the dollar approximately where it is today. Slight fluctuations -- 5 or 10 points -- don't make any difference. Foreign exchange is not necessarily a criterion. We had examples in the past six weeks of some days when foreign exchange weakened -- the dollar weakened and the stock market and grain market ought to have gone up but didn't -- they went down. On other days, when the dollar has strengthened and the markets ought to have gone down, they didn't -- they went up.

Q Mr. President, do you care to say in this connection whether you are satisfied with commodity prices?

THE PRESIDENT: No, you can't use that as coming from me at all, even as background. Because if I once started saying I am satisfied -- God! I am and I am not.

Q Yes and no, but off the record.

Q Mr. President, in your reorganization so far you have transferred the District Parks, and the Senate Committee, of which Senator King is Chairman, has taken up with Secretary Ickes the possibility of transferring them back to the District Government.

THE PRESIDENT: What did they take away from the District Government?

Q The administration of the parks in the City.

THE PRESIDENT: Yes?

Q They came under Colonel Grant and they have been put under Interior.

THE PRESIDENT: What happened?

Q Well, they just took them physically away and put somebody in charge, one of the men in the Park Service and they took away the Army Officer, otherwise it is the same. But I think King has been trying to get Ickes to get you to put the management under the District of Columbia and Ickes has written to you about it.

THE PRESIDENT: I have not heard a word. Having taken them over, can I put them back now? I don't think I can.

Q Why put them with all the Parks of the United States? His idea is to separate the District parks and leave them under the local government.

THE PRESIDENT: Could I change the Executive Order now that it has gone through?

Q Without lawyers. (Laughter)

THE PRESIDENT: I don't know, because you see I could defer putting it into operation but once it is in operation I don't think I can put it back. I don't know; I cannot say offhand. Of course it is really a moot question because, as I understand it, the personnel as a whole will remain the same. It just means the final, direct word at the top.

Q Can you tell us about this Executive Order on gold? Mr. Early mentioned it this morning.

THE PRESIDENT: All I can tell you is that the Attorney General has sent me a long, highly technical order about gold which I haven't as yet read.

MR. EARLY: I told them that.

Q We had you studying it, Mr. President.

THE PRESIDENT: I haven't even got to that point.

Q Does it concern gold hoarding or a free gold market?

THE PRESIDENT: Neither. It is with respect to what is and what is not bullion, what percent of solution makes it gold and what percentage does not.

Q Your name figured prominently in Washington dispatches about the Coal Code. The boys had you bringing the operators and the miners a little closer together. The stories did not say just how.

THE PRESIDENT: I talked to Johnson yesterday while at lunch, at half-past one, and he told me he had them together in a room, Lewis and the operators, and he thought they were getting on well. That is the first time they had been together in a room. And I said, "That is fine; keep them there." And I have not heard a word since then. He was more hopeful yesterday afternoon than at any time.

MR. EARLY: He said it would be two or three days yet.

Q Did the Budget Director get here?

THE PRESIDENT: He is on his way from the train.

Q Tell us what you talked over with Bullitt.

THE PRESIDENT: State Department things, that is all.

Q Can you tell us what Douglas is going to talk about?

THE PRESIDENT: I don't know. Probably about various Budget things, public works.

Q Is this about the time the Departments send in estimates?

THE PRESIDENT: That is one thing I am going to ask him about. The word has gone out to the Departments to ask them to start preparing. What is the date we have to have them in?

Q September.

THE PRESIDENT: October 1st, I think.

What I am going to tell Lew this afternoon is this: I am going to make a real try to get the Department budgets all completed by not later than the first of December and then let the various appropriation committees know that they are all ready, so that the appropriation committees, if they want to do so -- as this is not a new Congress, they are all organized -- that they will be able to come to Washington the first of September and start to work. I know of no legislative requirement that will prevent them from starting their hearings on the first of December instead of waiting until January, so that they will have four or five weeks of preparation before Congress actually begins.

Q In that connection, do you contemplate reducing expenditures still more than they have been?

THE PRESIDENT: No, we cut pretty deeply, and I think you can say we are going to make every effort to hold the total of the expenditures. That does not mean every Department but the total of expenditures. The objective will be to hold them down to what they were this year with the cuts.

Q What round number do we use for current expenditures now, Mr. President? Is it around two billion dollars?

THE PRESIDENT: It is two billion three hundred and fifty million dollars, I think.

MR. EARLY: Around two and a half billion.

THE PRESIDENT: I think that was the figure before the addition to the Veterans. It runs about a hundred million more, I think.

Q A little more than that, I think.

THE PRESIDENT: I think you would be safe in saying two billion four hundred million dollars.

Q Is that inclusive of interest and sinking funds?

THE PRESIDENT: It includes interest but there has not been any sinking fund for a long time. I don't think this year's includes sinking fund, nor did last year or the year before.

Q That is a big transaction.

Q It has been in there but it has not --

THE PRESIDENT: It really has not. In other words, we have not been amortizing the debt of the United States. This year we are amortizing, under the new law, the new debt but I don't think we are amortizing the old debt. In other words, you remember those new taxes we put on that ran to two hundred and ten million dollars?

Q Two hundred and twenty-four million dollars.

THE PRESIDENT: They were definitely earmarked for interest and amortization of the new debt.

Q Mr. President, there is quite a bit of that new debt which is not going to exist for a few months.

THE PRESIDENT: That is one of the things I talked to the Secretary of the Treasury about this morning, and that is lining up the notes of the Treasury for the next six months to come, which will be mostly for the new debt.

Q The revenue is coming in rather slowly, and will you use that money, when it is not needed, to apply to that debt, to go to the general Treasury funds to cover other expenditures, or will it be held in a reserve fund?

THE PRESIDENT: As I understand the bookkeeping of the Treasury, it goes into the common fund and it is represented in the total balance.

Q Even the processing tax?

THE PRESIDENT: I think they are earmarked, but there I could not tell you definitely.

Q Mr. President, can you give us any light on the open market operations of the Federal Reserve Bank?

THE PRESIDENT: They fluctuate from time to time.

Q No single --

THE PRESIDENT: We ran twenty-five millions and then they came down to ten millions and went up to twenty-five millions and back to ten millions. This week they ran up to thirty-five millions and I don't know what they will be next week.

Q What governs that, Mr. President?

THE PRESIDENT: The general idea of keeping prices up.

Q That is for the purchase of bonds?

THE PRESIDENT: Yes, dishing out credit, in other words.

Q Have you read those dispatches? The French lady journalist quotes you extensively.

THE PRESIDENT: What French lady?

Q Here is one. It is a definite quotation.

THE PRESIDENT: Never again will I have that lady to lunch. (Laughter) (Looks over dispatches) I think the best thing you can say about this is that it was probably garbled in transmission.

Q Yesterday she said that you said that this country would be willing to join in economic sanctions.

THE PRESIDENT: What the hell is that?

Q Blockades, I suppose.

THE PRESIDENT: I think that was garbled in transmission too. (Laughter)

Q On your talk with Secretary Woodin, how much do you think would be needed for the next six months?

THE PRESIDENT: I don't know. He took the paper away with him. I think it is about two billion dollars.

Q New financing?

THE PRESIDENT: Old and new. That is to say, refunding plus public works. As I remember it, it is about two billion dollars.

Q Did he say he could get it all right?

THE PRESIDENT: Oh, yes.

Q Have you made any progress on the Oil Control Board?

THE PRESIDENT: I have not analyzed it yet. I think Secretary Ickes is going to be here on Monday with a list, and also Jim Farley is coming on Monday.

Q Are you going to talk with Secretary Ickes principally about the Oil Code and the Board and public works?

THE PRESIDENT: Yes.

Q Mr. Farley, are you going to talk to him about the D. C. Commissioners?

THE PRESIDENT: Oh, gosh, I hope so. I told him before I left Washington that I wanted to.

Q Put it off for a while.

THE PRESIDENT: Would you rather? (Laughter)

Q He just does not want to close up that story.

Q How did Woodin look?

THE PRESIDENT: I thought he looked a lot better -- of course, you cannot use this -- but he has had this bug count and they are there. His throat looked a lot better, it looks like a human throat instead of raw beef, and they are giving him serum. I begged him to get away from Westhampton and I think I persuaded him. As soon as the doctors finish up those injections, he is going up to the Adirondacks, somewhere in the mountains, for two or three weeks.

Q Can you tell us anything more about what you talked over with (Ambassador) Davis last week?

THE PRESIDENT: I hear you people were perfectly grand and did not print everything. Steve (Early) lost ten pounds while he was talking.

MR. EARLY: Davis called up last night to say what a splendid reaction he had had abroad and to say that already he had received three invitations to start work in Washington. The first came from the German Embassy.

THE PRESIDENT: I love it.

Q Particularly in Mr. Davis' talk to us he said that you were subscribing more or less to what he termed "the French plan" for setting up --

THE PRESIDENT: That is Eddie's (Roddan) question.

Q (Mr. Roddan) We have been battling for three days about that. (Laughter)

THE PRESIDENT: Here it is as I understand it, although I don't understand it as well as Norman (Davis) does. The thing in a nutshell is this: Away back last April I became more and more convinced that I ought to put myself in the other fellow's place and I tried to put myself in the place of the Frenchmen. Keep this off the record because we really can't write anything about it, even coming under the Hyde Park date line. If I were a Frenchman and were certain in my own mind that Germany was not living up to treaties, I wouldn't scrap a thing and neither would any of us. And there is a general feeling in France that Germany has not been living up to them. In other words, we know that the

Germans are drilling, the school children are drilling and there are all kinds of reports and rumors from the French border that Germany has been manufacturing 75 guns secretly and so forth and so on. I felt last April, when they were all over here, that France would never agree to any kind of disarmament unless she could be persuaded that Germany was not re-arming in the meantime, and I talked to MacDonald about it and Herriot and Jung, and they all agreed with the general proposition that there would have to be some kind of continuous inspection and that if that continuous inspection proved to the satisfaction of France and Italy and Germany and England and the rest of the world that Germany was living up to its treaty obligations and not re-arming, in that case France would not have a leg to stand on -- she would have to agree to disarm. I put it up to them and out of that conversation came the first -- when the Conference met again about the first of May came what was called "The French Plan for Continuous Inspection." In the beginning, the British were rather hostile to it and their reason for being hostile to it was, I think, that other nations might find out how weak they were in certain lines. Well, probably the other nations know how weak you are in certain lines anyway, just as well as you do yourself, and the British are coming around to the principle of continuous inspection.

Now, the French plan has been changed in various details from time to time and what it is at the present time, I don't know. I don't know what the present French plan is. It may be different today from what it was a month ago. I don't think anybody but Henderson could say what the present French plan is, but we do know the principle, and that is expressed by using the words "continuous inspection". That means, of course, -- Eddie Roddan please quote to W. R. -- that means, if we go along, that a bunch of foreign officers will come here and look into our Navy Yards and arsenals if, if American officers can go into Germany and France and everywhere else and see what they are making. In other words, it is sauce for the goose and the gander.

That is the French Plan in a nutshell and it is dependent on getting everybody to do it, and I consider it of great importance because, as I say, I would not disarm unless I had assurance that the other fellow is going to disarm.

Q That is the proposition of continuous inspection in your message and what Norman Davis did out in Geneva, and there is nothing new in it. But the French Plan is to turn over these big offensive weapons that these countries give up -- turn them over to the League of Nations and make that an independent state.

Q That is part of the original proposal.

Q A part of it, but it is pretty big.

THE PRESIDENT: I never heard of it.

Q The French proposed it.

THE PRESIDENT: They propose something every day but I don't think anybody attaches any importance to that.

Q They always do.

THE PRESIDENT: I don't think so.

Q If it is part of the plan, are you for it?

THE PRESIDENT: No.

Q It is a League of Nations Commission under the French Plan.

THE PRESIDENT: To do what?

Q This continuous inspection will be done under the League of Nations.

THE PRESIDENT: That is not under the MacDonald plan?

Q Under the French plan.

THE PRESIDENT: It is to be carried on by the Committee on Disarmament, the Permanent Committee on Disarmament, which will be the same Committee which, in case somebody goes across somebody else's border, will call all the heads of states and see whether it can be stopped.

Q When is Secretary Woodin going into the Adirondacks?

THE PRESIDENT: He does not know yet.

Q When is he going back to Washington?

THE PRESIDENT: That is quite a long way off because he has first of all to get the bugs out of his system and then go back to the mountains and then come back here. It is a matter of six weeks or two months.

Q How is his son?

THE PRESIDENT: Apparently that story was written on information two weeks old. He was in this chamber and he has been out of it over a week. Extremely ill, but no immediate danger.

Q Mr. President, you did not discuss inflation with Secretary Woodin?

THE PRESIDENT: What is inflation?

Q I think Ed Roddan's definition can stand here for the use of the word -- "under the Act to raise prices". (Laughter)

Q What is the deadline on the Coal Code?

THE PRESIDENT: There isn't any, and the fact that he has gotten them in the same room tomorrow means that it is going along pretty well.

Q There is a rumor around New York that you have given them until next Tuesday.

THE PRESIDENT: No, I haven't set any time for it. I hope very much that it can be done before that.

Q But you have not handed down any ultimatums?

THE PRESIDENT: No.

(Discussion about ball game.)

CONFIDENTIAL
Press Conference #48
Hyde Park, New York

August 30, 1933, 11.30 A.M.

THE PRESIDENT: Here is the thing that you are all bored to death with except Eddie. What is the French Plan? This is only for Eddie's benefit. This was a dispatch of the 23rd from Geneva -- from the AP in Geneva and just because of the fact that it is AP does not mean it is true because it gives entirely the wrong slant.

Q (Francis Stephenson) What is that?

THE PRESIDENT: I said it is AP. (Shows headline -- something about League of Nations being armed to move against aggressor nations.)

Now, that is an erroneous lead because what actually happened -- well, I talked to Norman Davis about this on the 'phone yesterday. Of course, from Eddie's point of view, his difficulty is that we have taken the position that we are in favor of the French Plan, and the Hearst paper says that the French Plan means setting up a complete Army and Navy by the League, which is damned nonsense.

The French Plan as we mean it -- the French Plan, which I think is our plan and I think we sold it to the French and to the British, is to implement disarmament by constant inspection of every nation's armaments. That is what we mean by the French Plan.

Q Then the Committee was wrong, not the AP?

THE PRESIDENT: No, the AP story was wrong out of Geneva. If they had taken the third or fourth paragraph and made that the lead, it would have been all right.

Q I would like to ask a question that may be boring to all except my readers in Washington. What about the message from the Board of Trade down there, Mr. President?

MR. EARLY: The President hasn't the telegram as yet.

THE PRESIDENT: For your own information, Jim (Farley) and I talked about D. C. Commissioners and I said, "Where is your list?" And he said, "My God, I didn't bring it." And so I told him to go ahead and do some more checking on names and send them to me. I think we talked about it for about a minute and a half and we will talk about it next week.

Q Mr. President, Clarence E. Martin, who is President of the American Bar Association, in a speech last night charged that there was a definite plan to destroy the Republic and to destroy social democracy --

THE PRESIDENT: Who was that?

Q Clarence E. Martin, President of the American Bar Association.

THE PRESIDENT: What is he, one of the coal operators?

Q You were supposed to go to the Convention and did not go. Maybe he is angry.

THE PRESIDENT: I could not go. The only thing I can do -- I just signed a letter to the Bankers Association.

Q He is President of the American Bar Association. It was before their annual meeting in Grand Rapids.

Q He must have gotten hold of some furniture polish instead of the bootleg he thought he was getting. (Laughter)

THE PRESIDENT: Fewer and better lawyers.

Q He must have read that story that you put out on lawyers. That is the way you are destroying the Nation.

Q The Des Moines Register wants to know if there is any significance in the fact that your gold embargo order yesterday followed closely upon Sir Montague Norman's visit?

THE PRESIDENT: I don't think there is any possible connection there.

Q Have you heard that Ford is coming in under the NRA?

THE PRESIDENT: No, I sent word to Johnson last night to let me know any news on it, about that particular phase, before I left tomorrow.

Q Anything new on the Coal Code?

THE PRESIDENT: No, I have not heard a peep on coal. They are going to try to get it to me tomorrow.

Q Were you referring particularly to Ford in what you said to General Johnson?

THE PRESIDENT: Yes.

Q What did General Johnson say about it?

THE PRESIDENT: He had not heard a peep; that was three days ago, I think.

Q Will that need any action on your part?

THE PRESIDENT: I don't know.

Q Mr. President, isn't Ford subject to a license under the Code if he does not voluntarily come in under it and observe its terms?

THE PRESIDENT: I don't know. I would hate to answer that because, frankly, I don't know enough about it. We have not got to discussing that phase of it. Of course, as a general proposition, under the law there is a right to license. It has not been discussed in relation to Ford.

Q General Johnson in a press interview yesterday intimated that he might start something in the way of an informal boycott against Ford -- not officially sponsored, but he is going to put it up to the country?

THE PRESIDENT: I don't think he has put it quite that way. I think he put it entirely in the negative way instead of in the positive way. In other words, raising the question as to whether -- not any suggestion from topside of a boycott -- but as to whether people actually would, of their own volition, buy a car that did not have NRA on it. That is a very different thing.

Q Just a suggestion?

THE PRESIDENT: No, not a suggestion. It is just asking a hypothetical question.

Q Anything to add about the departure tomorrow?

THE PRESIDENT: No; going to get out to sea as quickly as we can.

Q Will you get out about noon?

THE PRESIDENT: I think so. I will try to get off before lunch but I have an awful pile of stuff.

Q When do you expect to get back to Washington?

THE PRESIDENT: Tuesday morning.

Q In Poughkeepsie there is a situation down there involving a strike in the garment plant and I understand that there was a telegram sent out by them, signed by a hundred out of one hundred and twenty employees, appealing for your protection in settling their own differences because they are under NRA. The Amalgamated is trying to come in.

THE PRESIDENT: I haven't seen it but if the telegram does come in, we will start the machinery right away.

Q It involves the same question as when Grover Whalen asked about the procedure in working the NRA plan.

THE PRESIDENT: Under the standard code, the method is that the Company agrees to recognize the representatives of their employees. Therefore a vote is taken as to what representatives the employees themselves want. Now, if there is a row about taking that vote, eventually it may mean that the Labor Department or the NRA would go in and conduct the voting for them and then, of course, both sides agree to abide by the result. That is the general system. If they want to choose John W. Davis or John Lewis or anybody else, that is their business but, as long as they have a free expression of their choice in choosing their representatives, the Code is complied with.

Q Union or non-union?

THE PRESIDENT: Yes, but they have to have an absolutely free expression.

Q The machinery of that could go through the NRA?

THE PRESIDENT: I don't think it has been set up yet, but it is ready. I don't think they have had a case that could not be settled by a vote run by the Government.

Q Thank you, Mr. President.

(The Press Conference adjourned at 11.40 A.M.)

CONFIDENTIAL
Press Conference #49,
Executive Offices of the White House,
September 6, 1933.

THE PRESIDENT: I don't know that there is any news at all today. I am keeping in touch with the Cuban situation. Then we had a birthday party last night. There has very little happened where Cuba is concerned. You probably know as much as I do.

Q What is the status this morning?

THE PRESIDENT: I have just talked with the Secretary of State. He talked with Ambassador Welles this morning. You will have to get it from him. There isn't any news. That, of course, is a good sign things are quiet in Havana, the only disturbing element apparently coming from the many outlying places, Cienfuegos and Guantanamo, etc. The trouble there seems to be fairly widespread over the island, and for that reason we have ordered a number, I don't know how many, four or five, additional small ships down there to be within steaming distance, for the protection of American lives in the various outlying places in case of need.

This is merely a precautionary measure and the Secretary of the Navy is leaving this afternoon on the INDIANAPOLIS, from Annapolis, for the West Coast. Of course, that means in case of a crisis of some kind the INDIANAPOLIS will be in the neighborhood of Cuba in about two days. But that trip was a scheduled trip. As you all know, he was going anyway. The only other ship movement is also a part of the thing that was done a month ago or more. The MISSISSIPPI is leaving for the West Coast.

Q Where is she leaving from?

THE PRESIDENT: Norfolk.

Q Will she sort of hesitate down around Cuba?

THE PRESIDENT: It is too early to tell. She wouldn't get there for two or three days. There might be a hesitation -- might not. She might keep on going.

Q Mr. President, there are reports this morning that marines are being concentrated at Quantico and at different points along the Eastern Seaboard.

THE PRESIDENT: Not that I know of.

Q Mr. President, in that connection, I was talking to the Marine Commandant just today. He said he had ordered 1106 of them concentrated at Quantico, pulling them in from Philadelphia, Norfolk, Washington, ten companies from Annapolis -- told us we should inquire direct for the reason for that.

THE PRESIDENT: I suppose the Navy Department may have gotten them down, and it is probably perfectly true. But merely again as a precautionary measure, saving twenty-four hours in case of need. Lay off on this intervention stuff. As you know, that is absolutely the last thing we have in mind. We don't want to do it.

Another thing, on the general Latin-American policy: You can't say that the Cuban situation is the keynote of Latin-American policy, because there is no other American nation that is in the same status as Cuba. In Cuba we have treaty obligations -- in other nations we haven't. In other words, don't intimate anything we do in Cuba is the same as we will do in

Haiti, Santo Domingo, etc.

Q Under the Treaty of Paris we have obligations to foreign governments in regard to Cuba, in addition to the Platt Amendment, which says we have the privilege to intervene for the purpose of carrying out the provisions of the Treaty of Paris. I tried to find the Treaty of Paris but couldn't and haven't read it. I have the impression there was something in the Treaty that the United States preserve --

THE PRESIDENT: (interposing) I don't know. Ask the State Department.

Q Is there any intimation regarding Henry Ford?

THE PRESIDENT: No, I just haven't seen General Johnson, because he isn't back. He told me two things: that the coal people are going into conference at eleven o'clock this morning; that there are two things they are discussing: one, checking and weighing; and the other relates to some kind of a proposal for the United Mine Workers to agree to work side by side with non-union people. It's a thing I don't know anything about, and I don't think General Johnson does. They will discuss it at eleven o'clock. He says that is all on coal.

Q Is he optimistic on it?

THE PRESIDENT: He didn't say one way or the other. He is coming in at 8.30 to the White House to talk over that and general N.R.A. things. He said to tell you the news about Henry Ford is that there isn't any.

Q Mr. President, is there anything on the District Commissioners?

THE PRESIDENT: Jim Farley was in this morning and he is coming in sometime tomorrow and we will talk about it again.

Q What is the President's attitude regarding changes in the District Government?

THE PRESIDENT: I haven't thought about it at all. Off the record, the situation is this: Jim and I decided to talk about it. We talked for five minutes and got on another subject, and then decided to take it up two weeks from now.

Q In conference tonight with General Johnson, do you intend to take up Mr. Ford's case?

THE PRESIDENT: No.

Q Are you contemplating any action?

THE PRESIDENT: I can't tell you anything about what I am contemplating.

Q Would it be proper to ask about those photographs on your desk? Anything interesting?

THE PRESIDENT: Yes, take them out and look at them. They are some old films I got up at Hyde Park. They were taken back in 1912 at the Panama Canal. It was under construction. Some of them are quite interesting. I went down there with an old, old friend, J. Mayhew Wainwright, who was then in the State Senate with me, and my brother-in-law, Hall Roosevelt, and we were there three or four days with General Goethals and a Navy man, a civil engineer on construction work. There were two or three handling men and he was third chief assistant. His picture appears in here. They are quite interesting and are taken before water was let into the Canal in 1912, in the spring.

Q Mr. President, could you say when Secretary Swanson is leaving on the INDIANAPOLIS?

THE PRESIDENT: Four o'clock this afternoon.

Q Could you say what other ships are being sent down?

THE PRESIDENT: Three, four, five, little fellows.

Q Destroyers, sub-chasers, etc?

THE PRESIDENT: Yes.

Q Getting back to Cuba, is Mr. Caffrey going down?

THE PRESIDENT: The plan was for him to go down on the fifteenth and for the Ambassador to come back here on the fifteenth, but of course we haven't talked about it for the last twenty-four hours.

Q Does it look as though Mr. Welles might have to stay a bit longer?

THE PRESIDENT: Too early to tell.

Q Did this Government receive a confidential, secret ultimatum from Japan to stop building ships? (Laughter)

THE PRESIDENT: No truth to it at all.

Q There is increasing controversy about the labor policy of N.R.A. Has that been brought to your attention, directly or indirectly?

THE PRESIDENT: No, the only thing is I haven't talked about it since I left. The policy is that it was to just stand on Section 7-A. That is the Alpha and the Omega.

Q It might be a good idea to check up on the program of the Council meeting.

THE PRESIDENT: I wish I had the agenda here. Don't think I have got it. You know they had some quite interesting figures on reemployment, but I haven't got them. There was a report of the interpreting economists, without any figures, which showed the general feeling was that things are doing pretty well and that there is consistent reemployment.

Q On this labor dispute, there was a committee that came down to talk with the Advisory Board last week, to ask them about qualifying the automobile code. Has that matter been gone over with you or have you any ideas on such a policy?

THE PRESIDENT: The thing is 7-A. That's the thing to cling to.

Q Have you heard anything from Mr. Davis since he landed in Europe?

THE PRESIDENT: No, unless the State Department has.

Q There was a Paris dispatch this morning saying the French Delegation was waiting with a great deal of anticipation for the Roosevelt Plan which Mr. Davis was bringing over.

THE PRESIDENT: That sounds like the Paris Press.

Q Is there any progress toward selection of the Deposit Insurance Board?

THE PRESIDENT: Yes, I will have to tell you off the record, because I don't want to spill a good story. Jefty O'Connor is going out to the Bankers' Association and he is going to announce the two names, so you will have to wait until he gets there.

Q Is it meeting on the third?

THE PRESIDENT: Yes.

Q When does he leave?

THE PRESIDENT: I don't know. Today, I suppose. It will be in his speech out there.

Q Has Jesse Jones fixed up the financing plan that it is suggested meet credit aid for N.R.A.?

THE PRESIDENT: No. The whole question of credit is still in study stage.

Q Does Mr. O'Connor speak today in Chicago?

THE PRESIDENT: Tomorrow, I think; I don't know.

7

CONFIDENTIAL
Press Conference #49-A,
Executive Offices of the White House,
September 6, 1933, 5.45 P.M.

THE PRESIDENT: I told them three things: First, that I wanted them to have complete and constant information about the Cuban situation to the full extent that we have that information. Yesterday morning the State Department commenced keeping them informed -- all the American Republics -- of what was going on just as fast as it came in and we are continuing that and will continue to let them have everything we know.

The second point that I explained to them, as I did to you gentlemen this morning -- that the United States had absolutely no desire to intervene and is seeking every means to avoid intervention.

And the third point was that I expressed to them the very definite hope on the part of the United States, that might be called the key to our policy, is that the Cuban people will obtain as rapidly as possible a government of their own choosing and, equally important, a government that will be able to maintain order and, of course, if a government is constituted as quickly as possible, that will maintain order, it will have the happy effect of eliminating altogether any preparation or thought of the necessity for intervention. And then finally, -- this is not one of the points but the way I would write it would be this: That the object of calling these gentlemen in is to give them full information and to make perfectly clear to all other American Republics what the position of the United States is in regard to Cuba, yet making clear to the other American Republics that we believe that they have just as much interest as we have in the preservation of order and orderly government.

Q Is there anything new on Cuba that you care to tell us?

THE PRESIDENT: Let me read this: (Reading)

> "Conditions in Cienfuegos are not as good as they were. There seems to be a good deal of disquiet --"

That is a grand word.

> " -- in a number of other places -- especially apparent on the southern coast."

That is from Welles.

CONFIDENTIAL
Press Conference #49-A,
Executive Offices of the White House,
September 6, 1933, 5.45 P.M.

Duplicate

THE PRESIDENT: I told them three things: First, that I wanted them to have complete and constant information about the Cuban situation to the full extent that we have that information. Yesterday morning the State Department commenced keeping them informed -- all the American Republics -- of what was going on just as fast as it came in and we are continuing that and will continue to let them have everything we know.

The second point that I explained to them, as I did to you gentlemen this morning -- that the United States had absolutely no desire to intervene and is seeking every means to avoid intervention.

And the third point was that I expressed to them the very definite hope on the part of the United States, that might be called the key to our policy, is that the Cuban people will obtain as rapidly as possible a government of their own choosing and, equally important, a government that will be able to maintain order and, of course, if a government is constituted as quickly as possible, that will maintain order, it will have the happy effect of eliminating altogether any preparation or thought of the necessity for intervention. And then finally, -- this is not one of the points but the way I would write it would be this: That the object of calling these gentlemen in is to give them full information and to make perfectly clear to all other American Republics what the position of the United States is in

CONFIDENTIAL
Press Conference #50,
Executive Offices of the White House,
September 8, 1933.

THE PRESIDENT: I guess you know all the news I do.

Q Is Mr. Gore going to leave the Governorship of Puerto Rico?

THE PRESIDENT: Not that I have ever heard of.

Q Is there anything on Cuba?

THE PRESIDENT: There has not been anything today.

Q There is a report out that the Cubans have agreed to a peaceable landing of sailors and bluejackets.

THE PRESIDENT: Not unless it happened in the last three minutes and a half.

Q There is word that an inspection party of sailors was landed.

THE PRESIDENT: Not that we have any information on.

Q There is a paragraph out of Paris today saying we made overtures to reopen debt negotiations. Can you comment?

THE PRESIDENT: Not that we know of.

Q Can you tell us anything about the Sugar Conference yesterday?

THE PRESIDENT: There isn't very much to tell except we went over tentative allocations. There have been a number of changes made and they are being taken up with the various other people who are concerned in them.

Q Is Dr. Coulter to work it out?

THE PRESIDENT: Yes.

Q Can you tell us anything about Henry Ford?

THE PRESIDENT: Not a word -- I talked to General Johnson about it night before last, but not since.

Q Is there anything you can tell us on your attitude toward importations from France of wines, cordials, etc.?

THE PRESIDENT: I don't know; I haven't the faintest idea. There have been several plans in regard to import duties on wines that have come in from quite a number of sources, and they have all been referred to a committee -- I think in the Treasury Department -- that is studying the problem of tariffs and also of domestic taxes, if and when the Eighteenth Amendment is repealed.

Q Does that also take into consideration the non-payment of the debts?

THE PRESIDENT: Oh, no.

Q Who heads this committee?

THE PRESIDENT: I don't know, probably Dean Acheson -- I don't know -- either he or somebody else.

Q Is that in regard to duplication and in regard to domestic taxes?

THE PRESIDENT: Yes, it includes that too; covers import duties, the relationship of Federal taxes, state taxes and local taxes.

Q What can you tell us about Public Works?

THE PRESIDENT: I think the Administrator of Public Works sent word -- I think you had this sometime ago -- that all local Boards get in their recommendations on local public works just as fast as they possibly can. They are coming in a good deal faster. They had a very successful meeting in Baltimore yesterday covering this particular area, Maryland, Virginia, West Virginia, North Carolina, at which they made real progress. The principal amount that is left will go to self-sustaining local public works.

Q One part of this fund has not been touched -- is that set aside for railroad maintenance?

THE PRESIDENT: Yes. I am taking up the possibility of a specific loan to railroads for steel rails.

Q Are you getting their report?

THE PRESIDENT: Provided the price of steel rails can be reduced. Curiously enough, during this whole period of four years, steel rails are about the only commodities that did not come down.

Q Can we attach importance to the fifteen per cent cut in next year's budget?

THE PRESIDENT: No, we have to put in for the full amount. We are bound by law on it.

Q Getting back to steel rail thing -- is Mr. Cummings still looking into the Anti-Trust Law violation?

THE PRESIDENT: I don't know -- couldn't tell you. Was that being looked into?

Q The Interstate Commerce Commission recommended it be investigated for prosecution.

Q Would that loan come out of R. F. C.?

THE PRESIDENT: No, Public Works.

Q Has any tentative figure been mentioned?

THE PRESIDENT: No, we haven't gone into any detail, we just started yesterday.

Q Would that include any other railroad equipment requirements?

THE PRESIDENT: No, this particular thing related only to steel rails.

Q I suppose you talked with the steel people?

THE PRESIDENT: Not yet; I haven't gotten to that. I talked to Mr.

Eastman about it and to the railroads. The railroads are very keen too, provided Eastman approves. We haven't yet taken it up with the steel rail people.

Q Have you discussed with anyone methods by which Government credit can be given to businesses that are suffering from codes?

THE PRESIDENT: No.

Q The R. F. C. -- Jesse Jones says they are studying means to help factories meet their expanded payrolls.

THE PRESIDENT: Yes, I had forgotten that; that is all I know about it.

Q Haven't they made any report?

THE PRESIDENT: No.

Q What time are you leaving today?

THE PRESIDENT: I am not going until tomorrow.

Q Are you going in the morning or afternoon?

THE PRESIDENT: I don't know.

Q How come you are not going tonight?

THE PRESIDENT: To tell you the truth I was afraid that going to Quantico somebody would write a story that I was reviewing the Marines before they started on their way to Cuba.

Q Are they going down to Cuba?

THE PRESIDENT: I am going, in that connection, to tell you a famous old story about Mr. Bryan. In the old days he came into my office in the Navy Department and said, "I have to have a battleship right away -- I have to have it by this afternoon."

I said, "Mr. Bryan, I am awfully sorry, battleships are few and far between, and to get it by this afternoon is impossible; I have a good gunboat in Quantico."

Mr. Bryan said, "That's all right; that's all right."

I said, "I thought you wanted a battleship."

He answered, "No, when I say a battleship I don't mean anything technical. I mean just something that floats."

You people are all absolved, but the headline writers are not. Some of the editorial writers are not. They think we have sent a large armada to Cuba. As a matter of fact, as you know, we have only twelve ships in Cuban waters at the present time. I think we have another ten or fifteen that are on their way down in that general direction. Some of them may go into Cuban waters. But there are two things -- but this is just for background, -- there are two things I do think ought to be in your stories.

In the first place, what are these ships? Outside of the MISSISSIPPI and the RICHMOND, that is now in Havana Harbor, all of them are little bits of things -- destroyers, Coast Guard boats, etc. Because of the length of the Cuban coastline -- there are a great many harbors in Cuba -- one of our problems has been the fact that there have been potential threats against American lives. For instance, in a good many different places, for instance on the Isle of Pines (this is off the record) -- just one of those things and no use writing a story about it -- anything may happen on the Isle of Pines -- there are a good many Americans down there, two or three hundred, also a Cuban Penal Colony with 2,008 prisoners and most of them pretty rough prisoners, and the officers in charge of the Penal Colony were asked to step aside and the Colony came into the control of Major Benitez. He realized after he had gotten control that they only had supplies of food for two days and he didn't know any way of getting any more supplies. Some Americans were told by Major Benitez that if he didn't get supplies in two days he would let the prisoners loose. So we sent a destroyer in there. It got in this morning, probably took a look-see and will go on.

You see, Cuba is nearly seven hundred miles long and there are cities, fairly important cities, on both coasts, practically the length of both the northern coast and the southern coast. It takes a great many vessels to cover that area. This talk about it's being a large armada and a great display of strength is sort of silly. The great majority of these boats are operating all alone, one boat all by itself. A destroyer with perhaps a crew of ninety people on board might land thirty or forty men from that ship, so you see it is not a very serious military occupation on that basis.

Q The last word that you received from Cuba -- was the situation better than in the last couple of days?

THE PRESIDENT: That is always a relative term, Fred. I'd hate to say better or worse. I should say the best way to describe it is that it is still somewhat tense and that a final solution doesn't appear to have been arrived at yet.

Q I am just curious -- would that be called a "flotilla"? Or what is an armada?

THE PRESIDENT: No, neither, because a fleet, a flotilla, an armada, or anything like that, means a lot of ships together. Where you have twelve or twenty ships all scattered along twelve hundred to fourteen hundred miles of coast, I don't think there is any particular word for it.

Q It's the copy reader's problem.

THE PRESIDENT: That's it -- your headline men know the word to describe it.

Q Somebody suggested a "cordon."

Q Mr. O'Connor (J. F. T.), speaking to the bankers yesterday, said that when the Deposit Insurance Law becomes effective Congress would be justified in repealing the Postal Savings Bank Law. Have you any plans along that line?

THE PRESIDENT: I hadn't thought of it at all.

Q Have you any intention of bringing deposit guarantee into effect before the first of the year?

THE PRESIDENT: No, on the first of January the $2,500. Act goes into effect.

Q Getting back to the steel rail thing, would you say the railroads didn't react favorably to the idea?

THE PRESIDENT: Very favorably.

Q Did Mr. Eastman initiate the suggestion?

THE PRESIDENT: I think it was Eastman who talked about it.

Q Is there any decision on the interest rate?

THE PRESIDENT: It hasn't gotten to that stage. We only started yesterday afternoon.

Q Will there be direct loans to the railroads from the Public Works Administration?

THE PRESIDENT: I suppose it will be a direct loan from the Public Works fund. Direct Treasury finance.

Q Is there any decision on prices?

THE PRESIDENT: No. You mean prices of steel rails? Heavens no. We have only just started.

Q The Coordinator of Railroads has suggested that Mr. Ickes allocated funds for grade crossing. Is that also provided for?

THE PRESIDENT: We took that up, but the trouble is this: that very few states have got grade crossing elimination plans which are ready to go into immediate effect. Therefore, grade crossings are not very much in favor because the work on them cannot be started right away. Most of them involve condemnation proceedings and things of that kind and, therefore, we don't want to use money for that unless we happen to get some very good project.

Q Is this steel rail thing the first step in the program of helping heavy industries, and in getting them going?

THE PRESIDENT: Of course we have in mind doing all we can to help them.

Q Is there any other step aside from this?

THE PRESIDENT: That is all I can think of at the present time. There may be steps that Mr. Ickes is working on.

Q Some of the coal operators are pretty much up in the air about the Coal Code.

THE PRESIDENT: Again? What's the trouble now?

Q They don't seem to like various parts of the code and are down to see General Johnson now. Did they seem satisfied here the other night?

THE PRESIDENT: Yes. Of course what the snag was the other night was not in the code but in the contract between the United Mine Workers and the operators, and I ironed that particular snag out. In other words, you know what happened -- I made the suggestion that instead of putting objectionable language into the contract itself I should say the objectionable language myself and take the burden. They were all agreed that there ought not to be any difficulty in working out the code once the contract was agreed upon. They have until tomorrow night to file objections.

Q You will approve the code?

THE PRESIDENT: Well, I'd like to see it first.

Q Is there anything you can tell us about a possible discussion with Mr. Ickes on oil prices?

THE PRESIDENT: We are taking that up on Monday.

Q How long will you give Cuba to get a stable government down there?

THE PRESIDENT: Really, Stevie! (Mr. Francis Stevenson)

Q Is it a fair view to say that you think they ought to have something a little more stable than the crowd that is there now?

THE PRESIDENT: Off the record -- here's the difficulty with the Cuban situation at the present time -- it is this: You have down there a committee of five gentlemen who are the last people that have been chosen by the Army, and no government has been set up. You simply have a committee that has been set up by the Army. That is as far as they have gone. Now we are waiting for some new step. You can't call that a government. There isn't any very serious rioting, but so far as a permanent or stable government goes, I haven't got the faintest idea what may happen between now and six o'clock. This committee may become the government or it may decide to turn things over to some other committee to become the government, or some individual. We don't know. It is awfully hard to describe a situation like that where the only thing is a Committee of Five that has been set up by the Army. They have been holding almost a continuous conference since last night, and again at eleven o'clock today, and we haven't had any report since that from that eleven o'clock meeting.

Q If you hear anything will you let us know?

Q Do you anticipate any communication with Ambassador Welles tonight?

THE PRESIDENT: Yes, we hear from him quite constantly. The Secretary of State, for instance, has telephoned him a couple of times today.

Q At Tuesday's conference you said you might possibly get a chance to talk to Farley about the District.

Q Has the machinery been started in motion to learn the number of men that were employed by the various projects of this Administration, the N. R. A., Public Works, and various things of that sort?

THE PRESIDENT: I asked for that information at Cabinet meeting today. The only definite figure we have had is that codes are already signed by 13,500,000, and approximately two million employers.

Q How many new employees?

THE PRESIDENT: I don't know.

Q That figure does not separate existing employed and those recently employed?

THE PRESIDENT: No, probably it is premature for anything on that. The process is actually going on at the present moment; during the last two weeks and probably during the next two weeks. Any figure that they get now would not be of very great value. However, we are trying to get it.

Q Do you plan to leave tomorrow?

THE PRESIDENT: I think so.

Q As to the Oil Conference on Monday, will that be with the Administrator or with some representatives of the industry?

THE PRESIDENT: I think the Secretary of the Interior and General Johnson, and some of that Committee. I do not know whether all the committee of twelve will be in on it or not. Don Richberg will be there, I think, and that's about all.

Q Have you any of the Committee's recommendations before you now for consideration?

THE PRESIDENT: Only things that we talked about the other day.

CONFIDENTIAL
Press Conference #51,
Executive Offices of the White House,
September 13, 1933.

THE PRESIDENT: I tried to get you some things out of the Council Meeting yesterday. The Director of Emergency Relief told us yesterday that the number of relief cases, families and single persons, decreased 2.9% between July and August. In August over July, I should say. And that this is the first year since 1929, according to the United States Children's Bureau, that the July-August report on the number of families on relief has shown a decrease. Steve, (addressing Mr. Early) you might use this as a release.

About the drought areas -- of course, we have four, likely five areas today, that are hit by natural causes and not by economic causes. One is the Dakotas, which were hit by grasshoppers and the drought; the Panhandle of Texas, where all the grain was blown out of the ground; another the Rio Grande Valley, that was hit by hurricane, and also a portion of Florida.

So we decided yesterday that the Farm Credit Administration would extend credit as liberally as possible in these areas, but that that wouldn't be enough. It was decided that the Director of Public Works, Secretary Ickes, immediately make available funds for special relief work which might be called additional Public Works projects, especially things like roads, that could be started immediately in these areas. And also Harry Hopkins will provide special emergency relief funds to take care of the matter of food and clothing, and also feed for livestock. Those are "Act of God" troubles, not economic.

Q Are any amounts mentioned in there?

THE PRESIDENT: The total needed for these stricken areas will be about, roughly, sixty million dollars, up to the new crop season. That's a lot of money.

Q That will be in the way of direct relief?

THE PRESIDENT: Those three things.

Q Did you say sixty million?

THE PRESIDENT: I think probably sixty. A portion of it, we hope, will be raised locally; then the other three things, extension of credit where people still have borrowing capacity, extension of work and the extension of direct relief with the objective of having the relief in the form of work relief where possible to do it.

Q Will the Red Cross supplement this relief?

THE PRESIDENT: I think very little, very little. I don't think we have very much in the way of funds on hand. We will use what we have got.

Q You mention five areas -- do you count the Dakotas as two?

THE PRESIDENT: Yes.

Q Does "new crop season" mean through this year and into next spring?

THE PRESIDENT: Yes, until they bring in some cash.

Q How will you divide into zone areas?

THE PRESIDENT: I couldn't tell you how.

Q Have you any ideas about transporting people from semi-arid to other regions?

THE PRESIDENT: Nothing on a large scale; only in carrying out the general thought, as we put in new areas of irrigated land we will purchase areas of sub-marginal land and take them out of cultivation.

Q That idea is being discussed?

THE PRESIDENT: Yes, we will go ahead with it actually on some of these western irrigation projects, but we can do very little real planning until we know how much land it is necessary to take out of cultivation. But, of course, new irrigated lands won't be ready to produce for probably two or three years. There is no frightful rush about it going concurrently.

Q Have you got the figures of the number of families on relief or just the percentage?

THE PRESIDENT: I haven't. I don't think I have those. I think it was an oral report. I can find out for you. On the same relief question the State of Illinois is raising additional money for relief. It was one of the -- I don't like to use the word --

JOHN BOETTIGER: (of Chicago) (interposing) No, please don't.

THE PRESIDENT: -- "backward," let us say, one of the "hesitant states," John. That's a good word. And Kentucky is also putting new relief appropriations through the legislature, so there are now no states which have wholly failed to provide relief. There are still a number of states that haven't, in our judgment, done their share.

Q If you classify Illinois as "hesitant," how do you classify Kentucky?

THE PRESIDENT: It has been hesitant also.

Q Does this include emergency mortgage relief?

THE PRESIDENT: That was one of the three steps but that won't be enough because, for instance, in South Dakota, where grasshoppers went through, there is nothing left to borrow on, not even any grass.

Q In this sixty million dollar figure, you said part of it, you hoped, would be raised locally by State Legislatures?

THE PRESIDENT: Yes, by State Legislatures.

Q Can you tell us the results of the conference this week with Mr. Jones and Mr. Morgenthau?

THE PRESIDENT: You mean yesterday -- Monday's conference where Governor Black was in?

Q Monday afternoon's conference.

THE PRESIDENT: I have had so many I don't know which you mean.

Q Governor Black and Mr. Walker were in.

THE PRESIDENT: Yes, and we were talking about the setting up of new insurance provisions, which go into effect on the first of January, and the chief result -- I would describe it this way: Number one, the three agencies are getting started. They are completing, or better, working toward the preliminary examination of all banks. That's non-member as well as member banks, state as well as national. The three agencies are the R.F.C., which of course has a great deal of data on hand, the Treasury Department and the new Insurance Corporation. And just as fast as this information comes in it will be determined whether the banks, if any, need additional capital. Then the community in which a bank needing additional capital is located will be asked to do its bit toward raising it.

In other words, the same application and the same principle as we are using in relief, that first the community must do its share. Then, when we are satisfied that the community has done its share toward raising any additional capital that may be needed for any given bank -- mind you, this only applies to banks that are found on examination to need capital -- and each community, in our judgment, has done its share, then the R.F.C. will come along and provide the additional amount through preferred stock.

Q Do you hope, Mr. President, that all banks that are now operating can be continued in operation?

THE PRESIDENT: Yes, the objective is a very simple one. The objective is to keep just as many banks going as is possible to do so, and we imagine that the overwhelming majority, in other words, there will be very few exceptions to the rule that all banks will be going on the first of January and will be insured.

Q What about Class D banks, which now it seems will not be able to keep going?

THE PRESIDENT: Member banks? National banks?

Q They are rating them Class A, B, C and D.

THE PRESIDENT: When you come down to classification, you have to divide it between member and non-member banks. They haven't completed the survey of non-member banks and on the member banks there are a small number, a very small number, that need assistance now and are getting it now. They might be called emergency cases and are getting it now. Then there is the

Class C on the member banks. They will probably need certain additional capital stock but in the emergency cases they will be taken care of one way or another. Now we haven't got the survey of the non-member banks sufficiently far along to be able to set them up in classification yet. That will be a matter of probably three or four weeks. Probably very much the same proportion.

Q Reverting to your idea of appealing to a community to raise additional capital to meet it, in a community of three or four banks, where only one needs that kind of help, isn't there a grave problem there?

THE PRESIDENT: In a case of that kind, if from an economic point of view there are too many banks in the community, they should try to get a majority together and put it through. Obviously that is the thing to do. That is taking place right along, too.

Q Do you care to comment on the labor troubles starting all over the country, the strikes, etc.? There are apparently two views -- the Labor Unions insist on closed shop under N.R.A., and employers are standing by the provisions of the merit (?) clause in the automobile code.

THE PRESIDENT: Is there any strike in the automobile industry?

Q No, but I know one instance where they have ten thousand people on strike in the garment trade, and twenty-five thousand have been put to work. They are afraid more will strike, and the laboring people have insisted on closed shop under N.R.A. Can you clarify that?

THE PRESIDENT: I couldn't because I would have to have definite circumstances and a given case. In other words, there is no use trying to generalize by an offhand interpretation of Section 7-A. It is too important. I would have to write it down. Of course, as a general proposition everybody knows that Article 7-A language means what the ordinary person would interpret it as meaning. It isn't closed shop it is collective bargaining. It isn't open shop, it is collective bargaining.

Q Have you heard anything further from Ford?

THE PRESIDENT: No.

Q Have you in mind doing something for the coal operators -- the same kind of thing that President Roosevelt did some years ago? There are some reports from Pennsylvania.

THE PRESIDENT: You are a little premature on that. Ask me tonight.

Q Would you say that if very much goaded you might use a heavy stick?

THE PRESIDENT: Ask me tonight.

During the course of the day something might turn up. Off the record, the difficulty with the coal situation is that this talk fest has been going on so long that the coal miners -- this is my own thought about the thing -- are somewhat justified in believing that they have been held up about a month, and if I were a coal miner I would be a bit upset about this talk fest in Washington. It is lasting too darn long. But they got somewhere before I went to Hyde Park last time and we thought they would have it straightened out by the following Monday. This has been going on now very nearly a month; it is always just three days more to get straightened out. I am getting a bit fed up and if I am I guess the coal miners are.

Q Are the operators playing fair with the proposal?

THE PRESIDENT: I don't think we will go into that question.

Q You may be doing something about it today?

THE PRESIDENT: I am doing something about it every day.

Q I know that.

Q You may be taking some definite step? (Laughter)

Q How about something conclusive?

Q Have you had any communication from Havana that the new government down there is becoming sufficiently stable to merit recognition?

THE PRESIDENT: I haven't read the dispatches this morning. I haven't anything you haven't got.

Q Do you know anything about withdrawing Naval forces yet?

THE PRESIDENT: That's sort of a cagey, catch question. Some of them [are?] have left and some of them have gone. Some of the coal-burning ships have come away and others have taken their places, and somebody suggested a cordon. I said it was a good word and then looked it up and found it was a rotten word because "cordon" presupposes a connection between every link of the cordon, and of course down in Cuba there is no connection between the different outlying boats. So try and find a new one.

Q Any suggestions?

THE PRESIDENT: No.

Q Have you done anything on publicity of income tax returns?

THE PRESIDENT: No.

Q Do you expect to?

THE PRESIDENT: Have I got the authority to do it?

Q Yes, you have.

THE PRESIDENT: Glad you reminded me of it. I will make a note of it.

Q Mr. Ickes told us he was going to suggest that you call the steel men in right away on railroad maintenance.

THE PRESIDENT: Mr. Eastman will have for me, probably by this afternoon or tomorrow, definite figures from the railroad presidents on how much they want in the way of steel rails, and just as soon as I get those figures on railroad needs I am going to send for the steel people and ask them to come in and do a little dickering.

Q Have you made any progress on the plan you mentioned several weeks ago on consolidating and eliminating certain Army posts?

THE PRESIDENT: I think the easiest way to put it is that we are working it out from both the top and the bottom. We are gradually eliminating. I'd hate to give you a figure offhand, but approximately fifty Army posts from the top, and then on the other end of it we are picking out about fifty Army posts which will undoubtedly be permanent posts. And we will probably authorize the expenditure of about fifty million dollars on those fifty posts, which undoubtedly will be permanent.

Q How were your reactions to Senator Harrison's recommendations for actual inflation?

THE PRESIDENT: And we get on the same old subject again. We'd have to have a two-hour conference for that.

Q Let's have one some day.

Q There is an awful lot of talk about the Recovery Program. Could you say whether there is anything in contemplation, or do you have any --

THE PRESIDENT: (interposing) No, let me talk a minute. This is off the record: Of course I realize it is awfully difficult to write a story without facts and figures. I think the easiest way to put it is this way: Johnson talked about having accomplished twenty-five per cent of the program, and perhaps those figures are true, I don't know, so far as putting people back to work goes. Farm prices are not high enough, there is no question about that. We have restored quite a lot of purchasing power to agriculture, but not nearly enough. In other words, this program is part of a very big project we are engaged in. We can't accomplish it in six months or even a year. We can't put every unemployed person back to work before the first of January, but we are making very definite progress. Farm prices are not high enough; wheat isn't high enough; cotton isn't high enough; there aren't nearly enough people back at work, but they are going back and we hope that as time goes on, week after week, we are going to have not only more people back at work, but we are going to have higher farm prices. You can't get 15¢ cotton this fall or $1.25 wheat this fall, for example. I am not pretending, but this is our ultimate objective. I have some figures here which I think you could use. This is what might be called a tentative report from the Secretary of Agriculture, which he gave me yesterday. This is background.

Q Including figures? Couldn't we work them out ourselves from the Department of Agriculture's reports?

THE PRESIDENT: I don't know. Here are three figures that I think tell the story about agriculture very well. Of course, that doesn't mean that it applies necessarily to one crop or to one region. For instance, a very simple example is that in certain portions of the West, in the wheat country, they have a complete crop failure, but this is the total on all agriculture and is only an estimate.

It shows an estimate of gross farm income for farm output during 1933, of $6,100,000,000. That is without benefit payments. I don't know how much. Benefit payments roughly call for one hundred million.

Q More than that.

THE PRESIDENT: Is it?

Q Mr. Wallace estimated it at about two hundred million.

THE PRESIDENT: About two hundred million in benefit payments, which would bring the gross farm income to six billion, three hundred million. Now that compares with five billion, one hundred million in 1932; up a billion dollars in round figures; up a billion, two hundred million, counting farm benefits in round figures.

Then you come down to the second point, the purchasing power of this gross income, and if we were to take as a comparison the purchasing power of the farm dollar in 1914, in other words, the pre-war purchasing power, we ought to have a gross farm income of nine billion. In other words, we are on the way and have a long ways to go yet.

Q It really means thirty per cent more?

THE PRESIDENT: Close to it; that is, to get back to the relative purchasing power of the pre-war period.

Q Could you tell us if these estimates on farm income are based on actual payments to farmers, or on exchange prices?

THE PRESIDENT: How do you mean, exchange prices?

Q The Board of Trade, or whatever you want to call it.

THE PRESIDENT: I couldn't tell you.

Q They are usually made up from farm prices.

THE PRESIDENT: I think it is.

Q Would you be willing to say on the basis of these figures that the farm prices represent a fifty per cent increase in purchasing power?

THE PRESIDENT: There is another way of putting it, of answering the question. If we take the pre-war level of 100, this is actual farm prices, they were down to 50 in March of this year, and they are back now to about 66 2/3. In other words, they have gone about a third of the way back and still have to go two-thirds more. They have to go about thirty-three per cent of the total. They have gone from fifty to sixty-six and want to go to one hundred.

Q Isn't that estimate of the gross income from this year based on the assumption that the business upward trend continues for the remainder of the year?

THE PRESIDENT: It is based, I think, on the present level of prices. Of course, if the general thing keeps on going, it will help it to go up.

Q The Department of Agriculture, by the way, gave those figures out Friday.

THE PRESIDENT: Did they?

Q It is still news, too. You can make it news.

THE PRESIDENT: Well, they all have to be interpreted. I am trying to make it as simple as I can.

Q In that connection, has there been any progress with the plans to ease credit for business and industry?

THE PRESIDENT: Yes, in a great many lines. Of course, for instance, what I told you this morning about the banking policy thing will be probably very helpful in pushing out credit, because banks will know the Administration's policy. It is keeping an overwhelming proportion of them going. Only in cases where it is perfectly obvious that the bank is clearly and definitely insolvent, will a bank be allowed to close, and we hope there will be very few of those cases. And it means a community will be asked to do its share where banks need capital. A lot of other banks can get by with present capital. And after the community has done its share, and that is not enough, the Government will let them have the money on preferred stock. In other words, there is pretty good assurance to the banking interests of this country that we are going to stick with them. They have to push out the credit, and they have got mighty little excuse for not lending under these conditions.

Q After you have provided banks with money to lend and then they don't, will the R.F.C. be prepared to make direct loans?

THE PRESIDENT: That question is under discussion at the present time. There is a possibility of making payroll loans where it is a perfectly valid, industrial business, where they have got orders which the local banks could not take care of for one reason or another. It is possible we may make payroll loans.

Q When you say proposed direct loans by R.F.C., do railroads come in that category?

THE PRESIDENT: Yes, on this steel rail thing, for example, that is not R.F.C. but Public Works.

Q Is there some thought that you might issue a general statement on the record of the bankers, giving them assurances of this sort?

THE PRESIDENT: I have sent about three messages to the American Bankers Convention. That's enough.

CONFIDENTIAL
Press Conference #52,
Executive Offices of the White House,
September 16, 1933.

THE PRESIDENT: I don't think there is any news today at all, isn't that so Fred (Storm)?

Q Let's look into that.

THE PRESIDENT: Go right ahead.

Q Have you any report on sugar quotas, or the investigation being made over at the Commerce Department?

THE PRESIDENT: I have been talking sugar quotas for the last two months. I suppose I will continue for another month or two.

Q Have you heard anything lately about the Coal Code?

THE PRESIDENT: I haven't heard a thing. And I haven't even heard anything about Cuba since this morning, and that wasn't any particular news. I guess you have it.

Q What did you hear about Cuba?

THE PRESIDENT: That's just it, there wasn't any news.

Q Professor Warren was in to see you today. He has been studying inflation.

THE PRESIDENT: He came in for three minutes and told me he had a very nice trip everywhere he had gone on the other side. He is coming back next week and tell me all about it.

Q Did you take up anything with the Cabinet you can tell us about?

THE PRESIDENT: We talked about almost everything, as usual.

Q With reference to the report of Professor Rogers and Professor Warren, is that to be made use of shortly?

THE PRESIDENT: What report?

Q Weren't they studying currency matters?

THE PRESIDENT: They haven't yet made a formal report. I don't know yet, they are coming back.

Q Mr. President, you are reported by Mr. Green as being dissatisfied with the Cost of Living Index on which the Government salaries are based. What did you find wrong?

THE PRESIDENT: It is a very simple thing. The Department of Labor is working on the whole subject of the determination of the cost of living in the form of an index. I have been dissatisfied with the index that they have been using right along and so has Miss Perkins. Well, for instance, I think the best illustration is as she put it; that there are a lot of items that go into the index that the Department of Labor uses that might be called out of date. For example, one of the items that they figure on in fixing up this cost index, is high-buttoned ladies' shoes. I am told by the girls that they don't make them any more. What they are trying to do in the Department of Labor is to get the index to represent more nearly the average things the average family has to buy to live on. That is about the size of it and they are at work on it. Of course, we had to follow the law. The fifteen per cent. cut is based on an index and we have to follow what that shows and we have got the right to reform the index if it is out of date or inaccurate.

Q In that connection I think the difficulty is that when the index was started we didn't have any such thing as radio, for example?

THE PRESIDENT: I guess that's right.

Q Suppose the index increases, the cost rises instead of lowering?

THE PRESIDENT: Obviously, I don't remember the exact language of the law, but the old index showed a twenty-two per cent. decrease from a given date in the summer of 1928; and I don't remember exactly what the law says, but I think that if it goes up, if things increase in price so that it goes below fifteen per cent., then there would be a proportionate restoration of Federal salaries.

Q What city will be used as a basis for this new index?

THE PRESIDENT: I don't know enough about the details, I suppose it is country-wide.

Q Thirty-two cities are used?

Q I thought Washington was used.

Q Several days ago the Labor Advisory Board and Industrial Advisory Boards were reported as having agreed upon a new interpretation of the labor provisions of the Recovery Act. They said they didn't want to give it out. Do you want to say anything on that?

THE PRESIDENT: I suppose I will have to, but will have to do it off the record. It is just one of those things in an Administration where the final decision rests on fact.

I suppose there have been a lot of people who sought to interpret the 7-A language. I read it over last night. It looks pretty clear, and of course when you start to interpret it you have to again interpret the interpretation. In other words, and this is off the record, for there is no use in getting publicity on this, as there are a great many things started in the Administration that never come to anything. So far as a veto on this particular thing by me is concerned, the real reason is this:

Article 7-A is pretty plain language. It provides for collective bargaining when you come to the necessary interpretation of it. That interpretation should arise from, or be caused by some specific case, and then you would have to interpret that specific case in the light of Article 7-A, instead of putting down a hypothetical interpretation which again would have to be interpreted in the light of a given case. So, frankly, I don't see the use of going further and interpreting Article 7-A unless you get a specific and definite case arising under it.

Q It is common report that this meeting was held last Tuesday night. They had quite a discussion and finally the labor fellows were induced to go along with your veto. Can you say anything off the record?

THE PRESIDENT: You heard about that particular meeting. I suppose there have been at least about five other individuals or committees that have also tried to write out their interpretation of it. There are a great many interpretations which people have tried to make, and no two ever agree on the actual interpretation of the language, so I am standing on 7-A.

Q This particular aspect of a truce between Capital and Labor seemed to be of much consequence in their minds, and now I assume we are precluded from using anything of it by your putting it off the record.

THE PRESIDENT: I tell you what -- suppose you put it this way, as background: That the White House feels that Article 7-A is very plain English and that the interpretation of Article 7-A will come about when specific cases arise requiring an interpretation, and until such cases arise it doesn't seem advisable to the President that people should make hypothetical interpretations. Let it go at that.

Q By interpretations do you mean interpretations by code or by N.R.A.?

THE PRESIDENT: It might be N.R.A., might be Wagner's Committee, might be all sorts of agencies. It might be some of the special agencies set up under some of the codes.

Q Is there anything more you can tell us about coal at all?

THE PRESIDENT: I haven't heard a word since last night. They have got the code that we all talked about last night and gave assurances that they have every expectation of having something by tonight.

Q Did they fix an hour, or did you?

THE PRESIDENT: No, they had sat up pretty late last night and started in again at nine-thirty this morning.

Q Are they coming back to see you, or will General Johnson bring them back?

THE PRESIDENT: That was never mentioned. I don't know. I said I was holding myself in readiness to see them.

Q Will you grant them an additional twenty-four hours?

THE PRESIDENT: I won't cross that bridge until I come to it.

Q What about the District Commissioners? Do you want to make that the last question, Mr. President?

THE PRESIDENT: Well, let's see -- when Henry Ford, the Coal Code and Cuba are out of the way, I'll take up the District Commissioners.

Q Anything new on Henry Ford's case?

THE PRESIDENT: No.

Q How does Mr. Woodin look?

THE PRESIDENT: A lot better, I think. He has put on some weight, and is feeling a lot better.

Q He's going right on, then?

THE PRESIDENT: No, he's still taking these anti-bug injections.

Q Is he going on another vacation?

THE PRESIDENT: I wouldn't call it exactly a vacation. I think he goes back for a while -- an experimental trip I think.

Q Any developments in the interstate water controversies brought to your attention by the Governor of Colorado.

THE PRESIDENT: I asked the Secretary of Interior to invite the Governors of Colorado, Nebraska and Wyoming to come down to have a conversation in regard to some of the interstate problems, but that of course this is not to be construed as slowing up or changing in any way the going ahead with the Casper-Alcova Dam work.

Q Have you given any attention to the Retailers' Code, particularly the price-fixing provision?

THE PRESIDENT: I haven't seen it at all.

Q Is there anything you can say on price fixing on oil?

THE PRESIDENT: No, I haven't heard anything at all since the talk four days ago. There wasn't any prospect at that time.

Q What about inflation?

THE PRESIDENT: Get out of here, Stevie (Mr. Stevenson).

CONFIDENTIAL
Press Conference #53
In the Oval Room of the White House

September 20, 1933, 10.55 A.M.

THE PRESIDENT: I have been here three days and therefore I know very, very little.

Q Neither do we.

Q Any reaction to the protest of the cotton farmers?

THE PRESIDENT: Only what I have read in the papers. If they want to see me, of course I will be delighted to see them if they will wait their turn. I am trying to do the speech scheduled for Monday. I am about two days late and it will take a little while to catch up. I may be able to see them tomorrow.

Q They have written a letter, have you got it?

THE PRESIDENT: The only thing I have is the blue petition.

Q They adopted a letter last night. It was supposed to have been sent over this morning. They asked that you express your views publicly to the press on inflation.

Q Anything on Cuba?

THE PRESIDENT: I have not talked to the Secretary of State. Has anybody seen the Secretary this morning?

Q Not that I know of.

Q Do you care to say anything about inflation?

(The President indicated that he did not)

Q Anything new about the District of Columbia Commissioners?

THE PRESIDENT: No.

Q Anything on the rum situation in the Virgin Islands? Some plan on to open a sugar refinery.

THE PRESIDENT: I will tell you. It is just one of those amusing things -- just discussion. I have forgotten who the originator was, but it was somebody who recollected the fact that my great-great-grandfather had been in the sugar business in New York around 1790. Of course in those days the sugar business was a West Indian business entirely, and he asked me whether, as a side line, he had sold rum and I told him that in all probability he had, although the ancestral records do not show it one way or the other. He had a sugar refinery on what is now Franklin Square, directly back of the old World Building, and his house was directly opposite the refinery. Well, from that this individual said, "You know, in those days St. Croix Rum used to be the drink." Of course St. Croix is part of the Virgin Islands. Then he made this suggestion, that he could do something when the Eighteenth Amendment was repealed to restore the fine qualities of the old St. Croix Rum and that that might be a solution for the economic ills of the Virgin Islands.

Well, it was an interesting idea to toy with, so I told the Secretary of the Interior about it and asked him to check up on it because they have a very large population -- some thirty thousand -- for a very small area and it is possible for them to produce only so much sugar cane and they get very low prices for it and it might be possible to work out a new industry based on absolutely pure rum, if rum is going to be sold in the United States. It would help them to restore their lost economic prosperity, so the Secretary of the Interior is looking into it.

Q It isn't necessary to age rum. It can be used almost immediately. I mean, it isn't fusel oil.

THE PRESIDENT: It is a very happy thought to age it, just the same.

Q Has it been decided whether Dr. Pearson is going to be reappointed Governor of the Virgin Islands?

THE PRESIDENT: No reappointment is necessary at all. I think the Secretary of the Interior told him to go back and to consider that he was to stay there until further notice and, if he is to be asked to leave at any time, he would be given sufficient notice.

Q It has been reported that three Government officials had made certain suggestions to us concerning our Naval program?

THE PRESIDENT: I read that in the papers. Nothing has come to me at all on it.

Q Any likelihood of the Naval program being altered?

THE PRESIDENT: No, the contracts are let and the ships are under way.

Q We are going ahead?

THE PRESIDENT: Never any question about it at all.

Q Have you arranged the mechanics of these war-debt negotiations supposed to start in two or three weeks?

THE PRESIDENT: Nothing on it at all unless the State Department has done something.

Q Anything on the railroad situation?

THE PRESIDENT: Nothing. I haven't done anything about it. I haven't heard from Eastman, uhless there is something in the mail. He was to let me know.

Q We won't take up much of your time this morning on questions.

THE PRESIDENT: Everything is all quiet.

Q Can you tell us anything about this conference with Professor Warren today?

THE PRESIDENT: No, he came in for just three minutes the other day and he is going to tell us about what he saw and heard on the other side.

Q Anything about the visit of Frank Walsh?

THE PRESIDENT: Walsh is coming with somebody.

MR. EARLY: Robert Randolph.

THE PRESIDENT: Who is Randolph?

MR. EARLY: He comes from the Middle West, I think.

THE PRESIDENT: Probably to talk about the St. Lawrence Waterway and the Treaty.

Q Is that to be one of the big issues?

THE PRESIDENT: I would not put it that way. Of course I am for it but I would not say it is one of the big issues.

Q Anything on your program looking to the abolition of Army posts throughout the country?

THE PRESIDENT: No. Has the Secretary of the Interior given out the announcement of the fifty million dollars for the selected posts?

MR. EARLY: It will be out later today.

Q Thank you, sir, very much.

(The Press Conference adjourned at 11.02 A.M.)

CONFIDENTIAL
Press Conference #54,
Executive Offices of the White House,
September 21, 1933, 4.55 P.M.

THE PRESIDENT: I have got quite an important thing here that I thought you would like to see. I have not read all of it yet but I think it is approximately all right. I will have copies made of this. It is too late for the afternoon papers, anyway.

Q We have until six o'clock.

THE PRESIDENT: Why not make this for tomorrow morning's release?

MR. EARLY: All right; it won't hurt anybody.

THE PRESIDENT: (Reading)

> "The President today announced a program to help correct one of the most flagrant maladjustments of American economic well-being. Through his action much of the oversupply of important foodstuffs will be placed in the hands of the destitute unemployed who are living on the short shift of public unemployment relief."

In other words, there are lots of places, like West Virginia, where they give a definite amount to a father and a mother and five children to last for a week and it just cannot be done. That is the standard in some municipalities, so this is in addition to that. (Reading)

> "Following conferences with Secretary of Agriculture Henry A. Wallace, George N. Peek, Agricultural Adjustment Administrator, and Harry L. Hopkins, Federal Emergency Relief Administrator, the President announced that the Agricultural Adjustment Administration is preparing to make further purchases of surpluses for distribution by the Federal Emergency Relief Administration to the unemployed in the various States.
>
> "The announcement followed the recent allocation by Mr. Hopkins of 100,000,000 pounds of cured pork which had been processed recently from millions

of hogs purchased from surpluses by the Agricultural Adjustment Administration. The meat will go to the various State relief administrations for distribution to the unemployed on their relief rolls.

"Additional products under consideration for similar handling include, among others, beef, dairy and poultry products, and products of cotton and cotton seed.

"There are approximately 3,500,000 families now on relief rolls throughout the country. It is known that even with recent improvements in relief administration resulting in higher standards of relief, the amounts of food and clothing given the destitute are still inadequate. On the other hand, in large part, because these millions of potential consumers are not able to purchase a normal amount of commodities, huge surpluses of basic food products are glutting the markets and making their production unprofitable to farmers.

"By using funds of the Agricultural Adjustment Administration, supplemented by those of the Federal Emergency Relief Administration, and the nationwide network of State and local relief administrations for distribution, a real effort to bridge the gap between supplies and consumption will be made. In this way two major objectives of the Recovery Program will be promoted - feeding and clothing the unemployed more adequately and hastening the agricultural recovery.

"It was emphasized that the commodities given the unemployed will be in addition to amounts they are now receiving, wherever they are now inadequate, for the purpose of giving them reasonable standards of sustenance. They will add to and not replace items of relief already provided.

"In removing the surpluses from the market, carefully applied safeguards will forestall any disturbance of the regular channels of production, processing, and distribution.

"The President said he considered the program arranged between the Agricultural Adjustment Administration and the Federal Emergency Relief Administration one of the most direct blows at the economic paradox which has choked farms with an abundance of farm products while many of the unemployed have gone hungry. He has directed the departments concerned to expedite in every possible way their combined attack on the food-surplus and hunger problems."

The two go right together.

> "While this joint effort is being made to increase domestic consumption of surplus farm products, the Agricultural Adjustment Administration will intensify its program of preventing accumulation of farm surpluses so great that they cannot be consumed, but result only in ruinous prices to farmers, destroying purchasing power and aggravating rural and urban distress."

MR. EARLY: Mr. President, it is now only two o'clock on the Coast. What about the afternoon papers? Might they have a bulletin for the afternoon and the text for the morning?

THE PRESIDENT: Yes, I forgot the Coast.

Q How much will that involve in actual expenditures, have you any idea?

THE PRESIDENT: You can put it this way: that no final figures have been checked but a rough preliminary estimate shows the need of expending at least seventy-five millions for this.

Q What prices will you buy these products at? Has that been determined or any rule laid down?

THE PRESIDENT: Regular wholesale prices. They are all things that there is no great variation in. There is the usual fluctuation in hogs or wheat or cotton, but it is at the market.

You see, it is a double-barreled thing. It improves relief tremendously. Especially, we will try to improve it where the relief is now inadequate, such as in many of the coal mining areas, and where it is not even adequate in a great many places to sustain life. Then the second thing, of course, is that it is going to help materially in reducing the large surpluses, over-hanging things.

There is only one mistake here, in the first paragraph:

> "Through his action much of the oversupply of important foodstuffs will be placed in the hands of the destitute unemployed --"

Now, cotton is not foodstuff. What is cotton?

Q Staple; clothing; commodity.

(The statement was later corrected to read:

> "Through his action much of the oversupply of important foodstuffs and staples will be placed in the hands of the destitute unemployed --")

THE PRESIDENT: "Staples" is all right. You see, here is another thing: The supply of clothing, this says, has been actually inadequate in a great many places in relief work. As a matter of fact, they have not had any supply of clothing. For instance, there is a story, off the record. You know Miss Hickok (Miss Lorena A. Hickok)? She went down, for Hopkins' department, I think it was somewhere around Southeastern Kentucky. She got into one of those mining towns and came around a corner of an alley and started to walk up the alley. There was a group of miners sitting in front of the shacks, and they pulled down their caps over their faces. As soon as she caught sight of that she walked up and said, "What is the matter? What are you pulling your caps down for?" They said, "Oh, it is all right." "Why pull your caps down?" They said, "It is a sort of custom to pull caps down because so many of the women have not enough clothes to cover them."

Now, we are going to buy a lot of cotton and have it processed and provide clothes -- I mean, have it manufactured into cotton cloth. Now, that means organizing local -- that means organizing groups to sew it together into clothing.

Q Does the Red Cross come into that picture?

THE PRESIDENT: No.

Q They were doing that, you know.

THE PRESIDENT: When I say, "No," I do not know whether they do or not.

Q The Ladies' Auxiliary of the Red Cross sewed garments.

THE PRESIDENT: Of course there is the other side; the Ladies' Auxiliary did that without pay, whereas if you pay wages you do that much more.

Q The Ladies' Auxiliary did a lot of work on the cotton purchases.

THE PRESIDENT: It is the same way with cotton seed. That can be used because the cotton seed is made into a lot of things, oleomargarine, and then there is another --

Q (interposing) Crisco?

THE PRESIDENT: Yes, crisco. So we will buy a lot of cotton seed, which will help materially at the present time. It is one of the things that the cotton men were talking about this morning.

Q This will dovetail into the thing that Bankhead was talking about on cotton this morning.

THE PRESIDENT: It will help because anything that helps reduce this prospective carryover of cotton seed and cotton will help.

Q Any decision on the price you will pay for cotton?

THE PRESIDENT: I do not know. What did Peek's (George Peek) organization say?

MR. EARLY: They did not indicate.

THE PRESIDENT: I do not think there is anything on the price of cotton.

Q Senator Bankhead mentioned a price of fifteen cents a pound.

THE PRESIDENT: That is a different thing. They have got some kind of a new plan out. That is something entirely different.

Q This is stuff taken off the market?

THE PRESIDENT: Yes.

Q And that is in addition to the stuff the Government has in cotton and hogs?

THE PRESIDENT: This is in addition, entirely.

Q Any estimate on the amount of cotton you will need?

THE PRESIDENT: No. I could not tell you that because the first rough estimate was about seventy-five millions for the whole thing and I do not know how that will divide up. I have no idea.

Q This statement, I was wondering if we can get some of it in your own quotes?

MR. EARLY: No, it should be a White House statement.

THE PRESIDENT: You can intimate that I considered it important.

Q How do you feel?

THE PRESIDENT: Fine.

Q You are looking good, Mr. President.

THE PRESIDENT: My temperature has been normal all day.

MR. EARLY: The boys missed Secretary Ickes.

THE PRESIDENT: Oh, there was some release stuff, about four millions on Government projects and about six or seven million dollars on municipal projects.

Q Of course he will announce it?

THE PRESIDENT: Yes. It is going out pretty well.

I thought on tomorrow's conference -- I have a Cabinet meeting at 2.00 and we could make it at 3.30. Is that too early?

Q No, sir.

Q Thank you, Mr. President.

CONFIDENTIAL
Press Conference #55
Executive Offices of the White House
September 22, 1933, 3.53 PM

THE PRESIDENT: I just got a copy of the agreement between the coal operators and the United Mine Workers, which has been signed. It takes quite a load off my mind and represents probably one of the biggest steps ever taken. It is one that I always thought was the most difficult of all and it may point the way to industrial peace in coal. I have also got codes for the Shipbuilding and Ship Repair Industry which I have not read yet but which I hope to be able to approve tonight.

Q Mr. President, in connection with coal and your announcement of relief yesterday, is there any possibility of coal being enumerated among surpluses for the destitute?

THE PRESIDENT: That is being discussed but that would be outside of the statement of yesterday. In other words, yesterday's statement covers foods and staples. What was the word we used?

Q Staples.

THE PRESIDENT: And we are discussing the possibility of direct purchases of coal for the destitute. We have not reached any conclusion on it yet.

Q There are a great many difficulties?

THE PRESIDENT: Yes, in some localities really great difficulties.

Q You say you will approve the wage agreement tonight?

THE PRESIDENT: What is that?

Q On coal, are you going to approve that tonight? Or don't you approve that under Section 7-b of the Act?

THE PRESIDENT: That I couldn't tell you, maybe I do. I haven't got anything in here (indicating) to approve. It is just the agreement itself.

Q Just one more question on coal in that connection: Is there any discussion of the amount of coal it will take to relieve the market?

THE PRESIDENT: You mean what surplus in coal?

Q There is a surplus in coal?

THE PRESIDENT: There isn't a surplus in coal.

Q There usually is.

THE PRESIDENT: No. There is only about six million tons above ground at the present time, between six and seven million tons. It is only about a month's supply to the country under winter conditions. No, there is no surplus at all.

Q Just bituminous coal?

THE PRESIDENT: Bituminous.

Q Are you going to Chicago to the Legion Convention?

THE PRESIDENT: I don't know yet.

Q Are you going to Chicago for the Worlds Fair at all?

THE PRESIDENT: Same answer. If I go to Chicago for one, I will go for the other.

Q Has General Johnson signed the agreement?

THE PRESIDENT: I don't know. It only came in this second, so I don't know. No, I do not see it, no. It is signed by the United Mine Workers on the one side and by the operators on the other side and then by a Joint Scale Committee for the Mine Workers on the one side and the operators on the other side and that is all.

Q Mr. President, can you tell us about this cotton arrangement discussed here this morning?

THE PRESIDENT: Well, that is quite an important thing. I think you have got -- probably Secretary Wallace gave you the exact status of it. The details haven't as yet been worked out but the principle has been approved and the formal and final announcement probably will be made -- I don't know whether it will be made by tomorrow night but it will be by Monday anyway. It involves making a loan up to ten cents a pound -- that is based on 7/8" staple middle grade cotton, whatever that is -- on cotton which is actually in the hands of the producing farmer and only on that kind of cotton. That loan is to be made subject to his signing an agreement to go along with the acreage reduction plan of 1934.

Q Any changes recommended in the processing tax?

THE PRESIDENT: No.

Q Any progress in the negotiations to sell cotton to the Russians?

THE PRESIDENT: Not that I know of.

Q Any negotiations with regard to France?

THE PRESIDENT: What about France?

Q There is a report that somebody is coming over here to negotiate the purchase of three million bales of cotton, which is about four times France's annual consumption.

THE PRESIDENT: I think that fellow got a lot of free advertising, off the record. I never heard of him.

Q Speaking of the debts, have you given any consideration as to who will handle the preliminary discussions for the State Department?

THE PRESIDENT: The State Department, that is all.

Q What about your week-end trip? Where will you go?

THE PRESIDENT: Well, we are going to motor over to Fredericksburg, go down the river and come up the other river.

Q And come back Sunday night?

THE PRESIDENT: Some time Sunday afternoon, depending on wind and tide.

Q These conferences with Farley and others. Anything to say about the New York situation?

THE PRESIDENT: Nothing I could say on the record and there is nothing I could really say off the record, although I would like to.

Q Go ahead. (Laughter)

THE PRESIDENT: Go ahead and write your own story.

Q Will you stand for it? (Laughter)

Q The Postmaster General said that O'Brien didn't have a chance.

THE PRESIDENT: I can't take part in local politics. I will have to give you a formal answer when you ask a question about that.

Q Can we give that, that you won't participate in local squabbles?

THE PRESIDENT: No answer to that kind of question, yes; but you will have to put the question in, too. (Laughter)

Q Any changes in the last couple of weeks, bringing Russian recognition closer?

THE PRESIDENT: No, not a thing. I will have to tell you this off the record: On that story about Morgenthau there is really nothing in it because over the last three months there have been all sorts of people, some of them thought they had the right to speak for Russia and others did have the right to speak for Russia, and they have been running around to various people in the Administration and about three months ago we tied it all up and told them to go in to see Henry Morgenthau and nothing has happened since then.

Q The general impression got around that Morgenthau had been designated by you.

THE PRESIDENT: No. It was merely because the State Department was being bothered by Chicago people and Boston people and New York people, who all claimed they had that or this or the other right to buy three million bales of cotton, and they were being so bothered that we told the State Department people and the Agriculture people to refer them all to Henry Morgenthau. That was three months ago.

Q Any new plan for extending credit or inflating the dollar?

THE PRESIDENT: There he goes; he is off again.

Q So many stories being printed.

THE PRESIDENT: You got a pretty good story yesterday and a pretty good story today.

Q Nothing definite.

THE PRESIDENT: For instance, yesterday you had a story that took care of quite a large amount of surplus crops. Today the story on this cotton thing means great assistance to the credit situation in this country. Some people would call that inflation of credit. It is coming along fine.

Q On that story yesterday, have there been any new developments?

THE PRESIDENT: Of course, the chief person will be Hopkins because he is to determine the amount needed by the destitute and the location and the character of the goods required.

Q Mr. President, is there any consideration being given to the Government coming to the assistance of the depositors in closed banks?

THE PRESIDENT: We are working on that. You are about four or five days previous on that.

Q What do you have in mind on that?

THE PRESIDENT: You got lots of news today.

Q This will help.

THE PRESIDENT: Next week there won't be very much news except, we hope, some news on banks.

Q Save it for Hyde Park.

THE PRESIDENT: All right.

Q What has been the reaction of Jesse Jones to lending money to banks?

THE PRESIDENT: I don't know. I haven't talked to Jesse and haven't had any figures at all in the last few days. Secretary Woodin is coming down tomorrow night and will come to the White House on Sunday night to talk on the general banking situation.

I told you already the general background on the matter of this bank guarantee which goes into effect, paying $2,500 for each account on the first of January. The general idea is that a great many of these banks which are perfectly solvent are not sufficiently liquid. When a bank is solvent, as the overwhelming majority are, but is not sufficiently liquid, you give them more capital in order that they may become liquid -- sufficiently liquid -- and the Federal Government is going to see that they get that capital. But we are going to apply the same rule that we apply in relief. We are going to ask the community to put up what their fair share of that capital will be. Some communities cannot put it in. Others can put it all up. That depends on the local conditions. We are simply asking them to do the reasonable thing for their own banks. Then the R.F.C. stands ready, through the preferred stock, to put up the additional capital necessary to make them wholly liquid.

Q Is Woodin coming down tomorrow?

THE PRESIDENT: Yes.

Q Will he join you on the yacht?

THE PRESIDENT: No, he is going to his house.

Q There is an impression in some quarters that you may get around to the question of Russian recognition before January first.

THE PRESIDENT: People have been saying that since the fourth of March. I cannot give any more specific answers now than I could on the fourth of March.

Q What do you think about Washington winning the pennant?

THE PRESIDENT: All to the good.

Q What do you hear from the Cuban situation?

THE PRESIDENT: (Referring to previous question) If you want, you can use that in quotes.

Q Are you going to the series?

THE PRESIDENT: I am going to the series, at least one game of the series, that will probably be here, and I will have to sit on both sides of the field at the same time.

Q I think you ought to go up there and here both. (Laughter)

Q Anything new on the Cuban situation?

THE PRESIDENT: Not a thing today.

Q Anything on Fred Greene of New York State going to China?

THE PRESIDENT: No.

Q The dope was that the Chinese Minister wanted to borrow somebody to build roads and Greene was recommended.

THE PRESIDENT: I can only tell you off the record to check up because I know the Chinese Minister did get get in touch with Greene, but that is all I heard. That was when he visited Hyde Park with Soong about a month and a half ago.

Q That is off the record?

THE PRESIDENT: Yes, I don't know anything about it.

Q Thank you, Mr. President.

(The Press Conference adjourned
at 4.07 PM)

CONFIDENTIAL
Press Conference #56
Hyde Park, New York
September 27, 1933, 3.30 PM

Q Anything to tell us, Mr. President?

THE PRESIDENT: I don't think there is any news at all. I am going out for a drive in the woods and get ready for the Spring planting.

Q Where is that, up here?

THE PRESIDENT: Yes.

Q There have been so many stories appearing lately that you are going to do some Spring planting on the monetary situation.

THE PRESIDENT: So I read. (Laughter)

Q Can we look for anything along those lines?

THE PRESIDENT: Just stories; somebody had to fill up space.

Q Mr. President, there has been something started to the effect that in view of the success with respect to the railroad rails, that you have in mind a set-up of a corporation for the purchase of railroad equipment, locomotives, coaches, and box cars, et cetera.

THE PRESIDENT: No. The only thing I know of is that the railroads did say they needed quite a lot of additional equipment and they are talking with Eastman about it. Of course our theory is that if the Railroad Administrator can be helpful in comparing all those orders and distributing them and helping them to get really competitive bids, simply as a friend of the railroads, that would be fine.

Q Does that contemplate --

THE PRESIDENT: Just like with the steel rails, the railroads will buy directly from the steel companies but they will use the good offices of Eastman to find out what the total is and that will help the steel companies in knowing what to bid. The bigger the total, the better the price.

Q Would that involve a Federal loan to the railroads?

THE PRESIDENT: Both rails and equipment, and that would come out of Public Works funds, not out of R.F.C..

Q Where are you going to do this Spring planting?

THE PRESIDENT: This is, of course, the last visit here until the Spring, so I have got a couple of people coming down, I think Sunday, from the State Forestry College in Syracuse. They advise me every year on the new planting so that I may find out where we should plant next Spring. We will do about another ten or fifteen acres of planting. I put in ten or fifteen acres every year.

Q What are you going to plant?

THE PRESIDENT: I don't know until I talk it over with them.

Q Can you tell us anything about your talk with Bruere this morning?

THE PRESIDENT: No, just general conversation.

Q Have you done anything about regulation of pipe line rates? That is provided for in the Public Works Bill.

THE PRESIDENT: I don't know. I have not talked about it for months. Who is it under?

Q I think you can refer the hearing to the I.C.C. and then you can --

THE PRESIDENT: I don't think anything has been done about it one way or the other. It is under the I.C.C. and not the Oil Administrator?

Q No, I think it is in Public Works.

THE PRESIDENT: Frankly, I don't know what has happened to it.

Q What do you hear on the move to open the closed banks, Mr. President? Is that coming along?

THE PRESIDENT: That is coming along pretty well. We are not ready with the story on it. The Secretary of the Treasury is working on it. Of course it is some of the banks, not by any means all of them.

Q So I understand. My bank opened down there but they never sent me any statement of how much I got.

THE PRESIDENT: What? Did you have a credit balance? (Laughter) You know, they do not send a statement unless you have a credit balance.

Q They waited until I had one for the first time and then they closed. (Laughter)

THE PRESIDENT: Everything is going to be all quiet.

MR. EARLY: Some of the Chicago papers this morning printed a very definite story about coming out there, the program, itinerary, et cetera.

THE PRESIDENT: I hope to go.

MR. EARLY: I talked with the boys about it before we left the City this morning and they have asked their editors to play down that publicity on the promise and agreement with us that when you make a definite decision, you will give it to all at once. Meantime they will play it down, for very obvious reasons.

THE PRESIDENT: I hope to be able to go but I won't know definitely until later one. There are lots of things.

Q What do you hear about Cuba?

THE PRESIDENT: I have not heard since yesterday afternoon. This is entirely off the record although you know about it as much as I do. The situation is that Mr. San Martin is sitting there in the Presidential Palace and he has his local army with him, which consists of about fifteen hundred men and a bunch of students. Apparently they are not collecting any taxes anywhere on the Island and, of course, their government cannot go on there forever without taxes. Something is bound to happen. They might start collecting taxes -- that might solve it -- but if they do not collect taxes --

Q Did you ever see students collecting taxes?

THE PRESIDENT: So we are just sitting and waiting.

Q How many acres do you have on your farm, Mr. President?

THE PRESIDENT: I have four hundred over on the other side. Those are mine.

Q Thank you, Mr. President.

(The Press Conference adjourned at 3.40 PM)

CONFIDENTIAL
Press Conference #57
Hyde Park, Mew York

September 29, 1933, 4.20 P.M.

THE PRESIDENT: Donald Richberg is on his way up in a plane with some kind of an agreement that brings in the captive mines, that is to say the coal mines owned by the steel corporations, under the same provisions that are in the Code. That applies to hours, wages, etc., and so on but, of course, I cannot tell you anything more about it until I actually read it myself.

Q Has it been agreed to?

THE PRESIDENT: By everybody. It is simply a case of my reading it and if I can get it to read tonight, it will be given out in Poughkeepsie. If I do approve it, I hope everybody will go back to work Monday morning in Pennsylvania.

Q That will be our second big midnight coal story up here?

THE PRESIDENT: Yes. Then Harry Hopkins is coming up to see me, I guess some time tomorrow. About what, I do not know. But he wants to see me and he is coming up.

Q Not today, sir?

THE PRESIDENT: No.

Q Can you tell us something about Governor Pinchot?

THE PRESIDENT: Just this code thing.

Q Any developments?

THE PRESIDENT: This coal code agreement, that is all.

Q You informed him about that agreement?

THE PRESIDENT: Yes. I think, actually, he did not know the exact status of it until we phoned down to Washington and found that Richberg was on his way up with it.

Q Did he take the view that that would end the trouble?

THE PRESIDENT: Yes, provided the code is satisfactory to me after I read it. It has been agreed to down there.

Q Do you know what time Richberg is getting in?

THE PRESIDENT: No; I suppose in about two hours.

MR. EARLY: I don't think he left yet, sir; he was still at the office a moment ago. It will be an Army or Navy plane.

Q Is he coming into the same field?

MR. EARLY: Yes, New Hackensack.

Q Mr. President, there were some reports in Wall Street today that you were contemplating a free market for gold. Anything in that?

THE PRESIDENT: Was that the bear crowd or the bull crowd?

Q They are bullish on gold. (Laughter) It seems that the prices of gold stocks are going high today.

THE PRESIDENT: High or low?

Q High.

THE PRESIDENT: That is one thing I not only will not but cannot comment on. There are a lot of things I cannot comment on but when it comes to stock market stories, that is the ultimate limit.

Q A free gold market, that would be raising the market, or would it?

THE PRESIDENT: I have had at least forty people talk about free gold market and no two people define it the same way. I don't know what it means.

Q I don't either.

Q There were reports that some big news will come out of here in the next few days. The story said that Secretary Woodin said you had one or two more shots to fire and that they would be fired soon.

THE PRESIDENT: They are working in Washington, but haven't the plans out finally, for the lending of money -- this relates only to certain closed banks and not all by any means -- the lending of money to closed banks which can be reopened by the Government financing the good assets part of their assets. It would enable a new bank to be opened. It will permit the old bank to be reorganized and to be reopened and the depositors would be given credit in that new bank for whatever proportion of their original deposits was good. We are working on a plan of that kind. Now that, of course, does not apply by any means to all the closed banks and it cannot go back to the banks in Receivership for a long time. It is practically limited to the bank that closed in the recent smash which started in February.

Q On the $1,800,000,000 tied up, is there any idea of what proportion would be released under the plan?

THE PRESIDENT: When you say one billion 800 million dollars you have to illustrate. What kind of banks and when tied up?

Q That is the last figure.

THE PRESIDENT: Member banks or National banks?

Q Member banks closed since the holiday.

THE PRESIDENT: Does that include all banks, 1931, 1932 and 1933?

Q That was banks not opened or which have not been opened on account of the kind of stuff on their shelves.

THE PRESIDENT: I was just asking because I don't know what that figure applies to. That is why it is very difficult for me, unless I have the figures here, to tell you what it applies to.

Q Would this plan apply to the member banks or to all banks?

THE PRESIDENT: That again I could not answer because I would hate to say it would apply to member banks when it might apply to the others as well. I have to wait until I get the recommendation from the Treasury and the RFC on it.

Q The funds are to come from the RFC?

THE PRESIDENT: I do not know any more than I did at last Friday's conference or when I talked about it.

Q Does that mean or connote a more liberal write-up of assets which banks have in view of the business pickup?

THE PRESIDENT: No, that is a different thing. That applies to closed banks and, of course, on banks that are closed you have to take the actual current value of its assets. You cannot write them up in the same way that you would with banks that have farm mortgages and home mortgages.

Of course, when you come down to the other question about banks that are opened and need new capital, there you are faced with two methods: One is the criterion of solvency and the other is the criterion of liquidity. Of course in that case, as we take the criterion of solvency, we want to keep all banks that are now open and that are solvent, we want to keep them going. However, they may not be sufficiently liquid, and in that case the Government will lend them money to make them more liquid. But you must remember all the time that the bank is solvent all the time.

Q Wasn't there a story that you were prepared to put out 750 million dollars on that?

THE PRESIDENT: I don't think it is as much as that. I think that is a good deal too high. I don't think that will be needed. I would not try to guess at any figures because I haven't any.

Q Mr. President, any other engagements today outside of Governor Pinchot and Richberg?

THE PRESIDENT: I think there are some local people waiting to talk to me.

Q Any speech tonight?

THE PRESIDENT: No, not at Hyde Park.

Q You are just going to give them a good Methodist speech?

THE PRESIDENT: The history of Methodism in the Town of Hyde Park.

Q Nothing new about the Chicago trip, is there?

THE PRESIDENT: No. Incidentally, I got all the dispatches from Cuba and that is just the same as it was. The poor, dear man has the students -- this is off the record -- and what is left of the army and he is collecting no taxes.

Q Anything new on the Russian recognition situation?

THE PRESIDENT: No.

Q Thank you, Mr. President.

(The Press Conference adjourned at 4.30 P.M.)

CONFIDENTIAL
Press Conference #58
Executive Offices of the White House
October 6, 1933, 4.10 PM

THE PRESIDENT: I think the only live news is as follows: The President this afternoon announced that a Commodity Corporation is to be immediately set up with an initial capital stock of $3,000,000. It will have authority to borrow from the R.F.C. and to lend funds on the security of commodities. Its first duty will be to carry out the pledge to loan farmers ten cents a pound on cotton. This will be on the basis of ten cents a pound at the nearest acceptable warehouse for all cotton above low middling grade and 7/8 staple.

Q Not above 7/8. At 7/8.

THE PRESIDENT: I don't know. Isn't it above?

Q 7/8 is standard.

THE PRESIDENT: These loans will be on the basis of 4% interest and will be made between now and June 30, 1934 -- in other words, on the present crop. It won't be made after June 30, 1934. That is right, isn't it?

Q The crop year ends July 31st -- it runs from August 1st.

THE PRESIDENT: Well, this is June 30th because there is new cotton on the market in July. Only farmers who agree to rent 40% of their next year's cotton acreage are eligible for the loans. And borrowing farmers are guaranteed against loss if cotton goes below ten cents. But they are restricted as to the time of their sale. Now, that is being interpreted and I believe the lowdown is this, that if it goes to fifteen cents we can make them sell.

Q And if it goes below?

THE PRESIDENT: It is ten cents. They get ten cents.

Q You have to hold the cotton?

THE PRESIDENT: We have to hold the cotton.

Q That establishes a minimum price of ten cents and a maximum price of fifteen cents.

THE PRESIDENT: That is for this cotton for the actual growers of the cotton. That does not apply to the surplus cotton or cotton in warehouses, et cetera.

Q Does the farmer or the Government take care of the carrying charge on it while it is in the warehouse?

THE PRESIDENT: That I don't know.

Q Does this apply to anything except cotton?

THE PRESIDENT: Only cotton.

Q Just cotton?

THE PRESIDENT: Yes. But this Corporation, as I said, it is a Commodity Corporation -- Commodity Credit Corporation, and there are lots of things that are commodities.

Q The Commodity Corporation's field is not limited to cotton? It can go into any field?

THE PRESIDENT: Yes.

Q Is this Corporation answerable to anybody in the Government or will it be independent? Will it be under Morgenthau or Wallace?

THE PRESIDENT: I don't know. Frankly, we haven't come to that yet. It is being organized as a separate corporation because the law requires it, but actually, in practice, it will head up through the Department of Agriculture.

Q Will it lend on other commodities?

THE PRESIDENT: That I don't know.

Q It can lend on other commodities?

THE PRESIDENT: I told you, it is the Commodity Credit Corporation.

Q But, for the moment, it is only cotton?

THE PRESIDENT: I said its first task will be lending on cotton.

Q Who put up the original 3 million dollars?

THE PRESIDENT: It comes out of another fund of 100 million dollars.

Q Are there price differentials on that ten cents -- below and above?

THE PRESIDENT: I am not a cotton expert. I don't know what 7/8 staple is.

Q Have you decided who will direct the Corporation?

THE PRESIDENT: Not yet.

Q Is there a maximum price per pound fixed?

THE PRESIDENT: No.

Q Just a minimum of ten cents?

THE PRESIDENT: You see, it is a loan at ten cents. The practical effect is, of course, if cotton goes up he can sell it at a higher price except that if it goes to fifteen cents, we can compel him to sell it. That is also part of the general provisions of the AAA which has in mind, always, a limitation on too high a price.

Q Did the Department of Agriculture give you an estimate of the potential loans which might be made through the Corporation on this?

THE PRESIDENT: No.

Q Can you tell us something about Bruere's work? If I am right, he has been down here since you came back.

THE PRESIDENT: I was thinking about it this morning. I don't know how you could write a story about him because I have to call him some name and there isn't any name applicable to his job. I cannot find one. In other words, he hasn't authority to do anything.

Q Could we call him a Co-ordinator?

THE PRESIDENT: I don't know; there is no word that applies. He hasn't any authority whatsoever over anybody.

Q What is he doing?

THE PRESIDENT: The situation is a perfectly simple one. There are quite a number of credit agencies of the Government, half a dozen of them. There are half a dozen agencies of the Government that are concerned with -- let us take a simple illustration -- banks. Banks are affected by home mortgages and farm mortgages and the question of insurance, and the question of valuation of assets which comes under the Comptroller and the bank examiners, and also the question of loans from the R.F.C.. So, you see, there are a great many branches, different agencies of the Government, that are connected with credit and finance, and I simply haven't the physical time to have all those people come in here all the time in order to see that none of them is stepping on the other fellow's toes. Mr. Bruere is acting as a sort of, I don't know, I suppose messenger boy is too lowly a term.

Q How about Co-ordinator?

THE PRESIDENT: He is not a Co-ordinator because the word coordinator presupposes that he has authority to co-ordinate and he hasn't. I suppose liaison officer is about the best word you can use. It is about the nearest to it. He acts as eyes and ears for me, keeping me in touch with what these different Departments are doing. It is a little bit, in respect to credit and banking and finance, like what Frank Walker is doing with his Council.

Q Is he to have headquarters any place?

THE PRESIDENT: I think probably it is in his hat.

Q That is all we have been able to find.

THE PRESIDENT: That is about all. I won't have any specific times for seeing him but if he wants to lay something before me, he will run in and see me just the way Frank Walker does.

Q Is he working on any definite program?

THE PRESIDENT: No, he is working for a dollar a year and he is loaned for a month or two.

Q Is there anything to those stories that Dr. Arthur Morgan's days with the Tennessee Valley Authority are limited?

THE PRESIDENT: That is a new one; I have not heard it yet.

Q Have the British given us any indication of what they have on debts?

THE PRESIDENT: Not that I know of.

Q Any definite amount fixed for the Surplus Relief Corporation to spend, and the source from which the funds will come?

THE PRESIDENT: They come out of Harry Hopkins' funds. I don't think he knows what it will run to yet. I think the first figure is about seventy-five million dollars.

Q There is a story printed in New York today saying that you are to appoint a committee to make a survey of the securities exchanges to bring them under Federal control.

THE PRESIDENT: No.

Q The story was in the Post this morning.

THE PRESIDENT: Nothing new on that. Away back last Spring, when the Securities Act went through, I asked the Secretary of Commerce to keep in touch with the general situation. I have not heard from him from that time on.

Q Can you throw any light on the conference tomorrow with the steel people in connection with the mine trouble in Pennsylvania?

THE PRESIDENT: I think I had better not. I had better wait until they get here.

Q Anything on the Foreign Bond Committee?

THE PRESIDENT: I am not ready yet. Next week I will, I hope.

Q Are there any new plans to aid capital goods industries?

THE PRESIDENT: You mean direct aid?

Q Government aid.

THE PRESIDENT: Not any more than the railroad program, steel rails and equipment.

Q Is that to create an agency to borrow from Public Works funds to purchase --

THE PRESIDENT: No. As I said before, we are merely offering the services of Mr. Eastman to act as a sort of gathering place for all of them to come in and pool their needs and then to go to Public Works, to Ickes, and ask him to lend the money to the railroads to supply those needs, and that is all we have done.

Q No idea of creating a private agency?

THE PRESIDENT: No.

Q Any developments on the Cuban situation?

THE PRESIDENT: No, not a thing.

Q Anything on the sugar agreement?

THE PRESIDENT: It is now in the hands of the Department of Agriculture and I am talking to Wallace about it tomorrow afternoon again.

Q What business brings the President of Panama to Washington?

THE PRESIDENT: I don't really know all the details but there are quite a number of questions down there that the Republic of Panama is somewhat concerned about. Well, for instance, the question of commissaries in the Canal Zone and the question about West Indian labor on various things. I think there are a number of others I have not heard about. The President of Panama felt it was easier to talk them over face to face than to have long distance correspondence.

Q Do you think there is any chance of Congress appropriating money for the unemployed in Panama?

THE PRESIDENT: That is a question.

Q Has the Retail Code been presented to you?

THE PRESIDENT: No, I have not seen it at all. I understand it won't be ready until Monday or Tuesday.

Q Did General Johnson discuss the Coal Code with you today?

THE PRESIDENT: Yes, also I saw Governor Pinchot.

Q On the war debts, can you give us any background about the attitude and the policy?

THE PRESIDENT: Not anything except the old background that in June we notified Great Britain that we would be glad to have them make such representations in regard to their situation as they wanted to and they are over here now and are about to make them. I don't think they have made them yet.

Q They make them to the Treasury and not to you?

THE PRESIDENT: I think so.

Q Is it your understanding that those conversations will be confined to debts and not to currency stabilization?

THE PRESIDENT: I think that depends entirely.

Q Have you heard anything on the Anthracite Code yet?

THE PRESIDENT: Have you?

Q They were conferring on it in New York.

THE PRESIDENT: They said at that time that they did not think they would have any difficulty on it.

Q Is Mr. Bruere's work in any way connected with this new banking program, or as part of it? They are to open the closed banks or throw the deposits of those banks into circulation again.

THE PRESIDENT: He is going to make himself familiar with it as it goes on. On the closed banks and capital for the banks that need it, I was going to use it tomorrow morning at the Federation of Labor meeting or, if not, I will hold it until the early part of the week and have it in the form of a statement. Bruere is just learning about it.

Q Thank you, Mr. President.

(The Press Conference adjourned
at 4.25 PM)

CONFIDENTIAL
Press Conference #59
Executive Offices of the White House

October 11, 1933, 10.40 A.M.

(President Arias, of the Republic of Panama, was present at the Conference.)

Q Good morning, Mr. President.

THE PRESIDENT: Good morning. (Exhibiting sabre)

Q Are you going to cut off a few heads this morning?

THE PRESIDENT: At least I am protected. Charlie (Mr. Hurd) you have to be good this morning. You watch your questions carefully.

Q Mr. President, hadn't you better turn that into the Treasury?

Q Is that all gold, Mr. President?

THE PRESIDENT: I think it is.

Q It would be worth more if gold is de-valued. (Laughter)

MR. DONALDSON: Everybody in?

Q Mr. President, this is no laughing matter -- what can you tell us about the liquor situation, the District Attorney, the Public Utilities Commission and District of Columbia --? (Laughter)

THE PRESIDENT: I haven't thought about them since you asked the question. I asked the President of Panama to come in today and told him that this would be a unique experience for him. From my point of view we have had a very satisfactory talk --

PRESIDENT ARIAS: And from mine also.

THE PRESIDENT: And the President says, from his also. I think his visit does illustrate the practical way of taking up problems that occur between different countries and I think we are making very satisfactory progress.

There are a number of matters such as, for instance, the present condition in that the Republic of Panama cannot have its own radio station. Well, that seems like a perfectly absurd situation. It has been created because of the military problems of the Panama Canal, but we are trying to work out something which will enable the Republic of Panama, like any other nation, to have its own radio station. Then, there are other matters such as, for instance, the competition of certain supplies -- competition created by the Canal Zone authorities which affects the merchants of the Republic.

Those are all matters which probably can be ironed out satisfactorily.

Then, of course, there is the other thing which we have talked about. It is a rather interesting parallel, although I think I will have to say this almost off the record because you cannot say that it comes from me -- the parallel -- you can invent that yourselves. Panama has a corridor problem. Right across the middle of Panama there is a corridor belonging to somebody else and yet we are perfectly convinced that through mechanical means and through cooperation and talking things over, we can make the life of the Republic of Panama perfectly practical and satisfactory so that the corridor which splits the Republic in two will not interfere with the orderly development of the Republic. In other words, the lesson I draw from it is the fact that the President of Panama comes here and talks things over and makes a solution of our problem, a perfectly peaceful and practical solution, possible. I am not saying that other nations ought to do the same thing, but!

So, we are getting on very well and it is delightful to have Senor Arias here. I told him that some time, when and if I can get away from Washington, I hope to go down through the Canal, stop in Panama and visit him.

The sword you heard about yesterday is here, if you would like to examine it. It is a very wonderful piece of workmanship, engraved with the American eagle and the stars and the letter "W" on both sides of the blade. It had been ordered by the French volunteers who fought in our revolution, to be given to Washington. It is supposed, but not proven, to have been brought over here by General Lafayette himself as a gift to Washington in 1800. Of course, General Washington had died the year before. It was only found in the sword factory this last summer. It was given to our government and will hang under the portrait of Washington in the White House.

Q Is there an inscription on the blade?

THE PRESIDENT: No, there is no inscription, only the letter "W" and the Presidential eagle and the stars.

Q Still sharp?

THE PRESIDENT: For all practical purposes. (Laughter)

Q Mr. President, can you tell us anything about the banking situation?

THE PRESIDENT: No, I cannot; I wish I could. In other words, we are going ahead with the two objectives, first, are paying off as rapidly as possible the depositors in the banks that have been closed this year and the other is to provide sufficient capital for the banks that are opened so that they can qualify beyond a question of doubt.under the insurance plan on the first of January. But the actual details have not been completed.

Q Can you tell us whether, in all probability, the money will come through the R.F.C. in connection with this thing. The Attorney General mentioned a discussion concerning a general Federal bank to take over those frozen assets. I wondered if it would be possible to elaborate just a little bit?

THE PRESIDENT: Probably will be. I don't know whether it will be a bank or corporation and I don't know whether the money will come through the R.F.C. or direct from the Treasury. That, really, is a detail of administration.

Q Do you say this bank will open this year? I mean January first is the date it will open?

THE PRESIDENT: January 1, 1933.

Q You mean 1934?

THE PRESIDENT: Yes. Of course, that is not definitely determined but in all probability it will be the first of January.

Q Could you tell us which Army posts will be abandoned?

THE PRESIDENT: Even the Army does not know. I have had no recommendations on it yet. They are still working on it.

Q Does this mean that you will ask the Congress to continue the R.F.C. after February 20?

THE PRESIDENT: Yes, of course. We are doing so many things under the R.F.C. that it has got to go on.

Q Will there be distinct provisions for carrying State banks and for carrying National banks?

THE PRESIDENT: I don't know. That is a detail. I don't think it has even been discussed.

Q Anything about the monetary situation? (Asked by Mr. Hurd)

THE PRESIDENT: Give me that sword. (Laughter)

Q (Mr. Hurd) It is approaching that time, isn't it? (Laughter)

Q Mr. President, has the time arrived when you can give us anything like a picture of liquor control as to repeal and the amount of taxes that ought to be raised and how it should be handled?

THE PRESIDENT: No, I cannot. I will tell you what the situation is: I think there have been three or possibly four different groups that have been studying the thing. The Attorney General has his end of it; then there is the State Department with respect to importations; the Internal Revenue People and the Treasury Department in relation to the wider fiscal problem. So far as I know, those different groups have not been coordinated. I don't think they have met together, but probably in the course of the next week I will probably get them together some way and try to work out what might be called an Administration policy in regard to the two phases of the situation. First will be the phase from the time of actual repeal up to the time of Congressional legislation and secondly the phase of what we will recommend to the Congress in the way of legislation. But there hasn't been any general meeting of all the interested parties yet and that is something I have to do.

Q Any serious consideration of a special session to deal with this?

THE PRESIDENT: No, and, incidentally, in spite of George Durno, Paul Mallon or somebody, there never has been any thought of a special session.

Q Mr. President, there will be about a six weeks' period in there where things will be more or less a kickback?

THE PRESIDENT: Yes, that is being interpreted by the Attorney General. I haven't got it yet.

Q Of course, it might be possible to mark time for six weeks?

THE PRESIDENT: We will have to do something practical. I don't know what the means will be that we will use.

Q Under the Recovery Act, you have the right to repeal those special taxes. Will that be one of your recommendations?

THE PRESIDENT: I haven't thought of it at all.

Q I think those taxes are automatically repealed?

THE PRESIDENT: Isn't it optional with me?

Q I don't think so.

Q It is mandatory that as soon as you proclaim repeal, the taxes --

THE PRESIDENT: Do I have to proclaim repeal?

Q Yes, you do. There is a difference of opinion as to whether it is permissive or mandatory, but if you do not proclaim it before the first of January, the nuisance taxes continue for another year.

Q Have you issued any orders affecting salaries of those in the motion picture industry?

THE PRESIDENT: I haven't issued any orders in regard to the movie code, one way or the other.

Q Have you advanced any ideas along that line?

THE PRESIDENT: The only time I have mentioned the movie code in any shape, manner or form, was to ask that the Deputy Administrator look into and consider the size of earnings of -- I hate to be impolite, but immature persons who, perhaps, are making more money than is reasonable in good conscience; and the same thing in relation to -- what do they call them? -- producers or directors who are making about four or five or six or eight times the salary of the President of the United States -- as to whether it is conscionable.

Q How about Mickey Mouse? (Laughter)

THE PRESIDENT: I don't know any of the facts in the case. The only things that came to me were rumors and I asked that the rumors be looked into.

Q Have you had any reports?

THE PRESIDENT: Not at all.

Q The State Department has led us to believe that repeal was effective the moment the 36th State actually ratified by its vote.

THE PRESIDENT: I don't know. I asked the Attorney General to look the whole thing up. I have not talked to him about it at all. I read that from the State Department but don't know whether it is true or not.

Q Is there anything new in the Russian situation? There are a lot of reports.

THE PRESIDENT: Not that I know of.

Q There is a story out of Los Angeles that McAdoo is going to be Ambassador.

THE PRESIDENT: After his three-day visit?

Q Can you tell us anything about the British Debt negotiation?

THE PRESIDENT: Only what I read in the papers and that was inaccurate. (Laughter) No, they have only just begun to talk on it and, as I understand from Steve, there won't be any news during the preliminaries unless it is handed out in the form of a joint statement.

Q Might it involve the question of stabilization of currency?

THE PRESIDENT: Not that I know of.

Q Wouldn't it be natural to stabilize --

THE PRESIDENT: Not necessarily.

Q How would they pay? (Laughter)

THE PRESIDENT: As a matter of fact, on this debt thing it would be best not to speculate because it would be pure speculation and the chances are 99 to 1 that the speculation would be wrong and, in the third place, it frankly doesn't do an awful lot of good in international relations to get the trend of the public mind one way or the other before there has been any meeting of the government minds.

I know you people won't mind my saying this, but the more I look at it the more true I think it is -- and this doesn't affect us people over here so much -- but if anybody would ask me what was the greatest single factor that contributed to the London Economic Conference not accomplishing more than it did -- and this is off the record and between us -- I would say it is the Continental Press. They established a public and publicity background that necessarily concentrated the attention of that London Economic Conference on just one subject when they had twenty subjects. The Continental press and, to a large extent, the British press were responsible for that.

Of course, it is also equally true that people concerned in that London Economic Conference got a great deal of their own personal slant from the Press. It not only had a public influence but a serious influence on the delegates themselves and an influence on the publicity out of London. Of course, the delegates were, in large part, responsible too, but the publicity that came out of London and concentrated ~~that~~ the Conference on just the one question of stabilization did a very serious hurt to good results.

On this debt thing, we are a little bit the same way. We are merely engaged on the preliminary conversation and in those conversations they will take up twenty different formulas and each one will have its ramifications of all kinds. They will explore them for a long, long time and nothing will come to me until they have explored them all. Then they may come to me and the Prime Minister of the Cabinet in London and say that such and such method is out of the question and another method is out of the question, but "we do think it is worth going ahead with discussions" on this line or that or on three different alternative lines. And then the British Government may consider it and I will consider it and then we may get to the second stage or may not.

It is as vague as that and any story that says we are engaged on this particular proposition at this time just isn't so and will tend to stir up not only public opinion in England and the United States on an issue which is not an issue, but will also tend to crystallize the point of view of the government officials and the negotiators themselves.

That is why I hope very much on the debt negotiations that there won't be any categorical stories one way or the other because the thing is frankly and definitely completely up in the air. It is in the preliminary, exploratory stage.

Q You expect this will take some time?

THE PRESIDENT: Yes. And all we can say is we hope there will be some meeting of the minds on it, but we don't know. I will tell you all just as soon as there is anything tangible to go on, but there isn't yet.

Q Will you be good enough to clear us up in the same general way about the situation at Geneva?

THE PRESIDENT: Well, I may -- I would love to do it if I can do it off the record -- completely off the record. The difficulty is this: Any story coming out of Washington to Geneva might have a pretty bad effect on the negotiations there. No matter what the story was, it might look like interference by Washington.

Now, the real situation in Geneva is, as I see it, this: -- Keep this entirely off the record, literally off the record. The real situation is this: That the Conference started in a long time ago, around a year and a half ago, with all the nations sitting around the table and all interested and all trying to work toward a practical solution of disarmament.

Gradually, and unfortunately, the whole thing has narrowed down to a very small number of great powers so that today, before the session begins on what -- the 16th? -- before it begins, it has, I am sorry to say, ceased to be a plenary meeting of all the nations and has come down, virtually, to a consideration of the European political problem in which Italy, France, Great Britain are involved and we are, in a sense, sitting on the outside but with access to what is going on. And Norman Davis is trying to act as amicus curiae -- he is not trying to tell them what to do but when they get in a jam, Norman Davis is talking to them and getting them to suggest ways and means of getting out of that particular jam.

Now, at the end of last week, it got into this kind of a jam: The French position was predicated on some form of -- I have forgotten what the exact expression is -- a trial period during which Germany would not re-arm and if Germany proved that she was not re-arming during the trial period, then France, at the end of the period, would start disarming herself and Italy would do the same thing, and so on. Germany felt that she couldn't, with self-respect, agree to being put into the position of everybody watching her during the trial period; that it was against her national honor.

I think at the present time that they are engaged in finding a new way of stating somewhat the same thing; in other words, perhaps, of starting immediate disarmament but that during the trial period -- they won't mention the word trial period -- during the first few years the disarmament would not be very great or very effective. In other words, as practical people realize, it would really amount to the same thing, but actually it would help Germany to have it set out in a less brutal way than being given an ultimatum for a trial period.

That is what they are working on at the present time and if they can find a method of stating it that will save everybody's national honor on the continent, the thing will work out. If they cannot find a method of stating it, it doesn't look very favorable to an actual signing up for disarmament. That is the situation as it is today.

Q Will that preclude manufacture by Germany of this armament she is talking about?

THE PRESIDENT: I don't know. I didn't talk to Davis about that at all.

MR. STORM: Thank you, Mr. President.

CONFIDENTIAL
Press Conference #60
Executive Offices of the White House
October 13, 1933, 4.10 PM

THE PRESIDENT: I don't know a thing since the day before yesterday.

Q Can you tell us anything about the meeting with Adolph Miller and Bruere, Douglas and Jones?

THE PRESIDENT: Adolph Miller, I haven't seen him for six months. He is a very old friend of mine and I had him in to lunch with me. That is all the news on that story. On the other story, Bruere and -- who were the others?

Q Jesse Jones.

THE PRESIDENT: Bruere and Jesse Jones, we discussed further the problem of the closed banks and we are not ready to tell you anything yet because the thing is not ready yet.

Q How about the Foreign Bond Committee? Anything on that yet?

THE PRESIDENT: Nothing on that.

Q Can you discuss the aspects of the Cuban situation as it is today?

THE PRESIDENT: I can tell you exactly what the Secretary of State said in Cabinet meeting and that is that there isn't any change in the situation. We cross-examined him and he stuck to his story.

Q This is Black Friday. (Laughter)

Q Will you give us your views on price fixing on oil?

THE PRESIDENT: Has there been any announcement on it yet?

Q Not on oil; we are waiting for it.

THE PRESIDENT: I don't believe I can tell you because it will have to come from the Secretary of the Interior, but I think it is about ready to break.

Q He said today it would not be out until next week.

THE PRESIDENT: Then far be it from me to violate his confidence.

Q I thought maybe you were going to tell us.

THE PRESIDENT: That comes out over his signature.

Q How about the Retail Code?

THE PRESIDENT: The Retail Code has not come to me yet.

It is a bad day today.

Q Is there anything new on the sugar situation? There was a delegation.

THE PRESIDENT: I was just talking to the Secretary of Agriculture and he is going to see some of the Senators and Congressmen, I think tomorrow morning. There again we are faced with a pretty difficult legal situation.

Q Are you going to issue an order for the building of Dam No. 3?

THE PRESIDENT: Yes, there is some real news. I am a little premature on that, too. I have suggested to the TVA that instead of allocating the full amount of the cost of the Cove Creek Dam out of the 50 millions, which would take three years to build, that as long as Dam No. 3 is an essential part of the general Tennessee project, I think it is entirely proper to allocate less than the full amount for the Cove Creek and to take a portion of that and allocate it for one year's construction on Dam No. 3. So I think Dam No. 3 will be started.

Q That order will be issued pretty soon?

THE PRESIDENT: I have made the suggestion to Morgan and I think it is all right, because he told somebody else who thought it would be all right.

Q Did you read those letters carefully that came from the steel operators on Captive Coal Mines?

THE PRESIDENT: Only once, seriously.

Q What did you get out of them?

THE PRESIDENT: I answered them; I think that covers it pretty well.

Q Your answer is as good as the others.

THE PRESIDENT: It does look like substantial progress is being made. That is for background. That was yesterday afternoon; I have not heard anything about it today. The fat may be in the fire again at this moment, for all I know.

Q Anything about the visit of Robbins this morning?

THE PRESIDENT: He did not come in. He is coming in after this conference. He did come in, but I got half an hour behind and he is coming in again this afternoon.

Q Getting back to Dam No. 3, have you any idea of how much money will be allocated for the year's construction?

THE PRESIDENT: You had better check on it because I can't tell you. It is a third of the total amount.

Q There is 22 million dollars down on Cove Creek.

THE PRESIDENT: Well, let us see. I think Dam No. 3, less power, less hydroelectric, was 22 million and one third of that would be the amount allocated this year.

Q Mr. President, anything on Geneva?

THE PRESIDENT: I have not had anything at all since the day before yesterday on Geneva.

Q Mr. President, have you taken up the question of taxes with the chairman of the subcommittee?

THE PRESIDENT: Not general taxes. We talked today about the liquor taxes and we have this committee under Secretary Acheson, with members from the Treasury Department, the State Department, the Commerce Department and the Justice

Department, and they are looking into the whole question, wines and liquors, tariffs, taxes, the date the thing goes into effect and so forth and so on. Again, it is in the hands of the lawyers.

Q Have you any personal views on that that you can tell us? What you think it ought to be?

THE PRESIDENT: I have lots of personal views, but they seem to conflict with the law.

Q Will you tell us what you are recommending to Congress?

THE PRESIDENT: What we are doing in this first instance is this: There is an emergency. Between ratification and the time Congress meets.

Q Is there any doubt as to what the law is on that?

THE PRESIDENT: There is a great deal of doubt.

Q Have you read that section of the Public Works Act as to repeal of taxes when [repeal?] prohibition comes in?

THE PRESIDENT: Charlie (Hurd), you would have to bring me a copy, otherwise I won't get a chance to read it.

Q What about the liquor law for the District of Columbia? Congress might get some advice from you on that.

THE PRESIDENT: The Attorney General remarked that that was the most difficult legal question of all.

Q Was it discussed?

THE PRESIDENT: He said it was a very difficult problem.

Q Can you tell us whether the British have made any further progress with respect to making us a concrete proposal on the debts?

THE PRESIDENT: I haven't heard a word on it. I am going to talk to Acheson tomorrow on it, I think.

Q Reverting to the code situation, I wonder if you can give us any idea, in view of this letter you wrote last night to the steel owners of the Captive coal mines, I wonder if we would be warranted in saying in view of this letter last night that you do desire the concession by the steel companies of this second demand, which is for the selection of checks-off men by the workers themselves.

THE PRESIDENT: That is not "checks-off", that is "check-weigh" men.

Q Yes, the selection of check-weigh men by the miners in the Captive mines.

THE PRESIDENT: The difficulty of putting it that way is that I have not on the record defined what working conditions are. All I have said is that I stood ready to define what working conditions are and, of course, as to check-weigh men, the privilege has been extended by all the commercial mines throughout the whole section, throughout that whole district, which represents about ninety per cent of all the coal mines.

Q When the classification of jobs in these new Federal agencies has been completed, do you expect to impose a fifteen percent wage cut on those agencies to bring the salaries in line?

THE PRESIDENT: That is something you will have to ask the Director of the Budget about. I, frankly, could not give you the answer. I don't know.

Q In your remarks the other day on the movie code, there is a lot of question as to whether you used the word "physically" or "mentally".

THE PRESIDENT: May I add that Steve (Early) was horrified because some of the stories carried that expression in quotes. (Laughter)

Q The expression is not clear as to whether you were speaking generally or particularly about child actors. Could you clear that up?

THE PRESIDENT: You see the trouble is that somebody pinned that remark on poor little Jackie Coogan.

Q He is not in the movies any more.

THE PRESIDENT: And if I were to define it further, people might tack it onto others and I would hate to have that happen. I think it is safer not to.

Q Some of the newspaper comments in connection with refunding the Fourth Liberty Loan go so far as to say that it indicates you are not going to have inflation of the currency because you are not --

THE PRESIDENT: The Times editorial said that? (Laughter)

Q Was that really the Times editorial?

THE PRESIDENT: I am learning a lot, yes.

Q Do you agree with that editorial? (Laughter)

Q Mr. President, in discussing the proposed liquor taxes, have any estimates been given you as to how much might be expected the first year?

THE PRESIDENT: I haven't the figures. The Treasury Department has all the figures completed. They have been working on it now for about three weeks and all the tentative estimates on all sorts of different lines I think have been completed.

Q Speaking of editorials, there have been a good many written lately about the announcement of the fiscal policy. Is there anything about that?

THE PRESIDENT: Only from Charlie (Hurd), that is all. (Laughter)

Q I'm afraid that would not be authoritative.

THE PRESIDENT: You know, up to a certain point I might put it this way: It was silent pressure but in the last week or two it has not been silent at all.

Q You said that the liquor problem as it affects the District of Columbia is a very difficult one. Who were you quoting when you said that?

THE PRESIDENT: The Attorney General in Cabinet meeting. It is difficult from the legal point of view.

Q There are two problems, whether we would go wet --

THE PRESIDENT: Did you say, "go wet"?

Q Stay wet, or whether we would get legal liquor, and the other is what sort of act we will have after Congress comes back.

THE PRESIDENT: I think the Attorney General was only referring to the question of what would happen on the repeal of the Amendment. I don't think he has got as far, in any of these discussions, as to what kind of recommendation we would make to the Congress. The interim period is all we are working on now.

Q Did Mr. Broderick have any particular errand down here?

THE PRESIDENT: He was talking about New York, representing ten percent of the problem both on national banks and member banks and non-member banks, and they asked him to come down here, as Superintendent of Banks of the

State of New York, to give his views on the question of closed banks.

Q Mr. President, is it proposed that a part of the new processing taxes should be shifted from the Agriculture Department to Harry Hopkins for Emergency Relief?

THE PRESIDENT: Well, that is that old corn-hog thing.

Q That they divert part of the processing tax to Emergency Relief?

THE PRESIDENT: I don't know. It is a terribly complicated problem. You had better check with them about it because it is possible, in the case of a tax on hogs, for example, to use a portion of that tax for Harry Hopkins' work, and the rest of it would come out of the relief funds. It is so complicated that I do not dare talk about it.

Just the same way, they are discussing -- you had better leave it off the record, but it illustrates it -- the question of beet sugar, trying to bring the beet sugar price up by putting some sort of processing tax on corn, on the ground that corn produces a great deal of corn starch and therefore is a competitor of beet sugar, bringing it in under the competitive line of goods, and using that processing tax on corn to pay the beet sugar people a bonus. It is all very complicated.

Q Can you tell us anything more in detail about Mr. Broderick's visit?

THE PRESIDENT: He just gave us the situation as it exists in the State of New York.

Q Are you considering consolidating the various consular positions into one bureau?

(The President shook his head in the negative.)

Q Are you considering abrogation of the Platt Amendment?

(The President shook his head in the negative.)

Q Thank you, Mr. President.

(The Press Conference adjourned at 4.25 PM)

CONFIDENTIAL
Press Conference #61
Executive Offices of the White House

October 18, 1933, 10.40 A.M.

THE PRESIDENT: The Secretary of the Treasury asked me to tell you that up to late last night subscriptions to the Treasury Department's loan of 500 million dollars had reached almost two billion dollars and subscriptions were still coming in by mail.

Q Have they the right to accept more than 500 millions of that if they want to?

THE PRESIDENT: I think so, but you had better check. I think in most of the offers we say that we will take more. I don't think we will take more although we might take a little bit more.

Q There was a time, some time back, when they did not do that and the banks would subscribe far more than they would get.

THE PRESIDENT: I don't know what this one read but if we take a little more, it will be a small drop in the bucket. I don't think they run more than 25 or 50 million dollars, something like that. That raises a nice question we have not decided yet. One of the other government departments, the Farm Credit Administration, put in a bid for 20 million dollars of these Treasury bonds and the question is whether they should get the preference or be scaled down like everybody else, and nobody knows the answer.

Q Anything about the rate of conversion?

THE PRESIDENT: It is coming in. The Secretary says it is coming in exceedingly well. I don't know what the figures are but that is a thing that will go on for several weeks. Nearly all of them come in through the banks.

Q The thing to do is to float a couple of more. Strike while the iron is hot.

Q What is your reaction to that showing?

THE PRESIDENT: Excellent in every way. Both the Secretary and I are delighted.

I got a report yesterday at the Council meeting from the interpreting economist. Some of the figures, I think, will be interesting to you. On agriculture, compared with the twelve months ending in March, 1933, prices of products which the farmer sells have showed an increase of -- this was up to September -- an increase of 32 per cent. The prices of the products which the farmer buys showed an increase of 11 per cent.

Q This is the period since March?

THE PRESIDENT: From March to September in comparison with the previous year March, 1932 to March, 1933. On manufacturing -- we haven't the same comparison --

in September factory employment in comparison with 1929 had recovered two-fifths of the decline and the income of factory workers had recovered one-fourth. The cost of living in September had risen 9 per cent since March.

I think those are the only salient ones and then, of course, with them you have the figures given out by Labor yesterday that showed the increase in factory workers and industrial workers.

Q Does the report of the economist show how far below parity the purchasing price of --

THE PRESIDENT: What do you mean by parity?

Q Pre-war parity.

THE PRESIDENT: Of course it is way down, but I couldn't give you the figures and that is one reason why we all feel that the price of commodities today is still too low.

Q Do you care to discuss the wheat embargo declared by the Governor of North Dakota?

THE PRESIDENT: No. All I can tell you is for background -- I suppose you can use it -- and that is that wheat is still altogether too low.

Q What sort of results are you aiming to get from your hog-buying program?

THE PRESIDENT: Well, you saw that announcement yesterday -- was it yesterday?

Q Yes, sir.

THE PRESIDENT: Of course, there again hogs and corn are too low. You see, here is one thing that I think we are all apt to fall into error on and that is seeing the trees and not the forest.

This is all part -- let me talk for a minute or two -- this is off the record entirely because we ought not to base a story on it since it isn't a story at all. There has been a good deal of talk about -- well, now, for instance, I think it was the Wall Street Journal this morning had an editorial. They took the orthodox point of view that there is this flood of money waiting for investment. Everybody has money to invest and it is held up from investment because we are not stabilizing, because we are not going back on gold and so forth and so on. Of course, that is a very comfortable,orthodox way of looking at it, and they use the expression that they want to return to the free use of money, and you and I know that we are not going to allow the free use of money in this country. We are not going to allow Doc Crawford, with one hundred thousand dollars, to become the owner of twenty million dollars worth of corn on margin. We are not going to allow the Steel Corporation to put in additional steel rail plants when there is altogether, at the present time, at least twice the capacity of production that the railroads can possibly use. In other words, we are not going back in this country to the free use of money, and that crowd might just as well get it out of their heads.

It is the same thing in relation to the Securities Act. There is a very definite drive being made by certain elements to have the Securities Act modified or repealed. They would much rather have it repealed. They would much rather have the old, free use that they had before -- being able to sell watered stocks to you and to me. Well, they are not going to have that right any more. We are just awfully sorry, but the Nation says that we are not going to have the free use of money in the same sense that they had it before.

As a matter of fact, of course, the Securities Act was modelled on the British Companies Law that was passed, as I remember it, in 1922 or 1923. The London Market, which claims to be the leading financial market of the world, and probably is, has been operating under the British Companies Act since -- for ten or eleven years. That Act is based on the theory of publicity. Under it they have sent quite a number of gentlemen to jail as, for instance, Mr. Hattry and a number of his associates. Our Securities Act was modelled on that law and hasn't even the strength of that British Act, it is not nearly as severe.

There will be mighty few changes, if any, in the Securities Act this Winter. I think we can bank on that as a pretty good prophecy. These people who claim they can't finance this, that or the other thing -- all they have to do is to bring an example of some refinancing or new financing some company wants and say why they can't issue the securities. Nobody has ever done that yet. All they are talking about today is in perfectly general terms that the Securities Act might lay them open to individual responsibility. Well, there won't be anybody sent to jail, if they carry out the provisions of that Act. It calls for reasonable care in checking up on the figures that they hand out to the public. It is based on good faith in the issue and what they state to the public, and nobody is going to go to jail if they can persuade the jury that they have been using reasonable care and good faith and adequate precautions. That is all it is based on. And the same thing is true about any kind of financing. In other words, the country is working to the point today where private initiative -- individual free use of money, which is other people's money -- won't be permitted to waste your money and mine as, for example, and one which I have used on other occasions, in building new additions to old enterprises which couldn't possibly be used.

Somewhere around 250 million dollars have gone into steel rail plants that will never come out because steel rail plants can turn out four million tons and the railroads will probably never use more than one and a half million tons. There is an excess of 2½ million tons a year which is capitalized at two million dollars a ton. That is your money and mine and we will never get it back. And those were conservative companies.

Q How are you going to prevent that?

THE PRESIDENT: Planning. I will give you an illustration which you cannot use because it would involve running the thing down and using the names.

A fellow came in the other day and wanted Government money in the way of a loan so that he could put up a new concrete plant. We have enough cement plants in the United States to turn out twice the cement we can possibly use. He was told a very simple thing. "If you will eliminate an equivalent amount of old cement plant production, all right, go ahead and build the new plant." He wanted to keep the old and build a new one besides.

Q Suppose somebody comes in with an improved process?

THE PRESIDENT: That is a very different thing; nobody wants to stop that at all. In other words, new processes, improvements and other things are perfectly all right.

Q You commented on the Wall Street Journal editorial. We have made the point of monetary uncertainty. Do you care to say anything about that?

THE PRESIDENT: Certainly. Here is this vast flood of money -- this is off the record, mind you -- I will ask the Wall Street Journal a simple question, "Where is it going? What would they put it into?"

Q All we can say is in the past it has gone some place.

THE PRESIDENT: Yes, into speculation, a large part. Now, on the speculation end, that is another thing. You take the Chicago Board of Trade. Here is the question mark: 80 per cent -- I think it is somewhere around that figure, perhaps a little higher -- 80 per cent of all the trading on the Chicago Exchange is speculative. In other words, it is just fellows who are gambling in corn. They never take delivery of corn -- they just buy and sell something on paper, that is all. Twenty per cent is what may be called legitimate futures operations. If I am a miller, milling flour, and I think the price of corn is at a pretty good level for me to buy, and I want to make future commitments for the sale of flour, six months ahead, and want to know what the corn is going to cost me, I want to make future contracts and, at the same time, in order to protect myself, I want to make a hedging operation so that I know that the corn will cost me a fixed amount.

If I am a cotton merchant and want to sell a shipload of cotton in Liverpool, it will take me a month to get it there. I am satisfied with today's price, therefore I will sell cotton in Liverpool. That is a hedge. Hedging is insurance where it is a perfectly legitimate transaction in the commodity itself. Nobody wants to stop it but, on the other hand, this fellow Crawford is an example of what depresses commodity markets. This last drop in wheat, which has cost the farmers of the country a very large amount of money, was caused not by any change in the wheat situation in the world, it was caused by the fact that a whole lot of speculators were long on it. They saw it slipping a little bit here and there as a result of a good deal of short selling and they got tired of making a loss and dumped probably several hundred thousand bushels of wheat in the market and it broke to 68 cents. Who suffered? The farmers, and not because of legitimate dealings but because of speculators. Now, is that a right thing? I doubt it.

Take the Stock Exchange itself. Suppose Fred's (Storm) great-aunt dies and leaves him a million dollars --

Q (Mr. Storm) Swell. (Laughter)

THE PRESIDENT: -- and Fred leaves the newspaper business and starts to turn that million dollars into ten million dollars on the Stock Exchange. Of course, the chances are that he will lose it, like most people. But the point is that with that million dollars Fred can do an awful lot of harm to the securities that are owned. Let us say that you own some securities. You have to sell them for some reason -- let us say you have bought a house or are building a house, something like that -- and Fred's operations may cost you several thousand dollars. It is a great question as to whether that sort of thing ought to go on.

Q Are you looking for new legislation along those lines?

THE PRESIDENT: I think so.

Q On monetary uncertainty, do you see anything that might furnish some assurance?

THE PRESIDENT: No comment.

Q The Wall Street Journal is not for repeal of the Securities Act.

THE PRESIDENT: I did not mean the Wall Street Journal. Quite a number of people who are perfectly sincere and perfectly honest believe that until we go back to gold and until we stabilize and enter into an agreement with France on the French franc and England on the pound, and with Italy on the lira, here is all this money waiting for investment and that is the way to raise prices. The Lord only knows where that money would go, I don't.

Q Would you have any objection to using for background the fact that there may be new legislation to control speculation?

THE PRESIDENT: I think it is better not to because the thing is awfully vague at this point.

Q On your cement friend illustration: You could control that where he asks for an RFC loan or through the issuance of securities. But suppose it was a smaller operation -- and a lot of them would make it just as bad as one big operation -- financed through bank loans? Does the Government contemplate controlling that sort of thing through bank loans as well?

THE PRESIDENT: At the present time, no. We will come to it eventually.

Q You have it in the codes.

THE PRESIDENT: In effect, we have it in the codes.

Q Mr. President, what can you tell us about the retail code which seems to be somewhat along this line -- its price fixing?

THE PRESIDENT: I wish I could tell you something but, frankly, I haven't made up my mind. There are an awful lot of pros and cons that I haven't made up my mind on it yet. There is a lot of justification both ways. I am having a conference with various people this morning.

Q Can you tell us something about your Executive Order of yesterday with regard to penalties for code violations?

THE PRESIDENT: To tell you the honest truth, I was surprised to see any story at all because I thought it was a perfectly normal part of the operation.

Q It is at that, but it made a good story, just the same.

Q Are you for the modification of the Glass-Steagall Bill for insurance deposits?

THE PRESIDENT: Oh, no; that is in and of course the banks also have got the assurance that it is going into effect the first of January.

Q Mr. Berle made a speech last night that the deposit insurance wasn't going to work and some change would have to be made.

THE PRESIDENT: Not that I know of. We can't tell until we try it.

Q Any banking legislation in mind?

THE PRESIDENT: Not legislation. We are working at the present time on the definite list. All banks are going to be opened and insured on the first of January and I haven't any other story on it.

Q Is that proceeding satisfactorily?

THE PRESIDENT: Getting on very well. The only thing I think you can say on it is that not merely the overwhelming majority but practically all the banks opened now are going to stay open. Of course there will be a few very small exceptions.

Q Is that question all bound up in the general lining up of this new banking program, the liquidation of the solvent but non-liquid banks and the general banking program you spoke of some time ago?

THE PRESIDENT: There are the two phases. One is the banks that have closed from the first of January down to date. You got that story. That is going ahead. The other one is the actual putting into effect of insurance on the banks now open.

Q Is there any definite date you might give us to expect to begin operations on the opening of banks that have been closed?

THE PRESIDENT: I don't believe I can give you a definite date. I hope to have a schedule by next week.

Q Thank you, Mr. President.

THE PRESIDENT: By the way, before you go out, one thing, also off the record. I don't know -- I haven't checked with Jefty O'Connor, but Jefty said something about the Postal Savings. We are not going to close up the Postal Savings Bank.

Q Did you give any attention to the Los Angeles Post Office matter? There was some question as to whether it would be built or turned down. I wondered whether it had come to your attention.

THE PRESIDENT: You will have to ask Ickes or somebody on that.

Q You mean the new post office?

THE PRESIDENT: We have approved a lot of them. I don't know what is open. I don't know about the others -- what they are doing.

Q This NRA punishment for chiselers, is that to be tried and penalized by the NRA or turned over to the Department of Justice or district attorneys?

THE PRESIDENT: I haven't the faintest idea. I don't know.

Q Thank you, Mr. President.

(The Press Conference adjourned at 11 A.M.)

CONFIDENTIAL
Press Conference #62
Executive Offices of the White House

October 20, 1933, 4.05 P.M.

THE PRESIDENT: Shut the door and nobody to go out. It is not fair to the people in the front row if anybody sneaks out. I have two letters which I will read to you and copies will be available for you at the close of the conference on your way out. (Reading) "The White House, Washington, October 10, 1933." That was almost two weeks ago. What is today, the 20th?

Q Yes, sir.

THE PRESIDENT: (Reading)

"THE WHITE HOUSE
Washington, October 10, 1933.

"My dear Mr. President:

"Since the beginning of my administration, I have contemplated the desirability of an effort to end the present abnormal relations between the hundred and twenty-five million people of the United States and the hundred and sixty million people of Russia.

"It is most regrettable that these great peoples, between whom a happy tradition of friendship existed for more than a century to their mutual advantage, should now be without a practical method of communicating directly with each other.

"The difficulties that have created this anomalous situation are serious but not, in my opinion, insoluble; and difficulties between great nations can be removed only by frank, friendly conversations. If you are of similar mind, I should be glad to receive any representatives you may designate to explore with me personally all questions outstanding between our countries.

"Participation in such a discussion would, of course, not commit either nation to any future course of action, but would indicate a sincere desire to reach a satisfactory solution of the problems involved. It is my hope that such conversations might result in good to the people of both our countries.

"I am, my dear Mr. President,

"Very sincerely yours,

"FRANKLIN D. ROOSEVELT.

Mr. Mikhail Kalinin,
President of the All Union Central
Executive Committee,
Moscow."

To which he replied:

"Moscow,
October 17th, 1933.

"My dear Mr. President:

"I have received your message of October tenth.

"I have always considered most abnormal and regrettable a situation wherein, during the past sixteen years, two great republics -- The United States of America and the Union of Soviet Socialist Republics -- have lacked the usual methods of communication and have been deprived of the benefits which such communication could give. I am glad to note that you also reached the same conclusion.

"There is no doubt that difficulties, present or arising, between two countries, can be solved only when direct relations exist between them; and that, on the other hand, they have no chance for solution in the absence of such relations. I shall take the liberty further to express the opinion that the abnormal situation, to which you correctly refer in your message, has an unfavorable effect not only on the interests of the two states concerned, but also on the general international situation, increasing the element of disquiet, complicating the process of consolidating world peace and encouraging forces tending to disturb that peace.

"In accordance with the above, I gladly accept your proposal to send to the United States a representative of the Soviet Government to discuss with you the questions of interest to our countries. The Soviet Government will be represented by Mr. M. M. Litvinov, People's Commissar for Foreign Affairs, who will come to Washington at a time to be mutually agreed upon.

"I am, my dear Mr. President,

"Very sincerely yours,

"MIKHAIL KALININ.

Mr. Franklin D. Roosevelt,
President of the United States of America,
Washington."

I don't think there is anything much to add to that except this: This won't fall on you people, but there is a certain difficulty which the press always has and that is the headline fellow. And he is very apt to copy your leads. I hope that before you send your stories in that you will read both of these letters. They describe the situation 100 per cent. This is a request and an acceptance of the thought of sitting together at a table to see whether we can devise means for settling various problems that exist between two great nations, two great peoples. That is as far as it goes. And that is all it is.

Q Mr. President, could you indicate to us some of the problems that need solution?

THE PRESIDENT: I wish I could. You know, there are a lot of them that have come up in the past sixteen years, some of them are very old problems and some new. If I were to start listing them for you I would have to consult the State Department first. I would be afraid to start listing them.

Q When is he likely to come over?

THE PRESIDENT: On that we have had no further exchange, but I hope very soon.

Q Will he be received at the White House? Would he stay at the White House?

THE PRESIDENT: Oh, heavens! Good Lord, I haven't begun to think of that yet. Of course I have had Prime

Ministers at the White House -- that is just for your general guidance. I would not write any crazy fool story. You know what the past history is.

Q With whom would he talk?

THE PRESIDENT: With me.

Q How were those letters sent -- by personal messengers?

THE PRESIDENT: Sent by cable. Heavens, yes; I couldn't have gotten the answer any other way -- it is dated the 17th.

Q Any comment on the vote of the farmers of Nebraska and the embargo in North Dakota?

THE PRESIDENT: Only what you already know. The Administration is seeking to raise the prices of commodities. There is nothing new in that. There is no change in policy.

Q In connection with your plans, is the Administration considering price fixing?

THE PRESIDENT: There again, it would take me half an hour to discuss price fixing with you. It depends entirely on the crop and the emergency and so forth. We have loaned money on cotton up to a certain point. We have agreed, made a partial agreement on hogs and corn. We have made an agreement that fairly well establishes the price of tobacco. I do not call it price fixing. That gives people the wrong impression.

Q Do you think the farmers are too restless?

THE PRESIDENT: Now, Charlie (Hurd), that is just an opinion question, an "if" question.

Q Is there anything new on the captive mines situation?

THE PRESIDENT: There have been two exchanges, one letter from either Myron Taylor or --

MR. McINTYRE: It was Taylor, I think.

THE PRESIDENT: And then a reply from me to him. They have not, either of them, been given out and my reply went to him about two days ago. Just an effort to make progress, that is about all you can call it.

Q The last two or three days we have had stories that these conferences between the steel company people and the miners' unions have virtually fallen through. Can you tell us anything with regard to that?

THE PRESIDENT: Again it would take me fifteen minutes. I would have to go into the whole thing. They were adjourned temporarily until the letters were written. I don't know whether they have been resumed or not. Anyway the situation is still in flux.

This correspondence is being given out in Moscow at the present moment. It is now 11.30 P.M. there.

Q Getting back to the Russian question. Does the bringing of the Commissar Litvinov over here constitute recognition in any sense?

THE PRESIDENT: Just read the two letters -- they tell the whole story. There isn't anything more. There again is just what I want to avoid. I don't want the headlines to say that the United States recognizes Russia. All we have had is the exchange of letters and a gentleman coming over here to talk and that is all it is.

Q Why don't we say it is a forerunner of recognition? (Laughter)

Q Any public works' money been allotted for motorization and airplanes?

THE PRESIDENT: I think there is some coming. I don't know whether actually allotted or not, but it will be a small amount because we don't want to allot too much -- there are a lot of other things.

Q How about the retail code?

THE PRESIDENT: That hasn't come to me yet.

Q Mr. President, there is a forgotten man down here. Can you tell us anything about the progress of that retail code -- when you expect to sign it?

THE PRESIDENT: I don't think it is completed yet. Richberg is waiting outside to talk to me about it. I don't think it is in final form.

Q Any indication of time -- two or three days?

THE PRESIDENT: I hope so -- by the early part of the week. Richberg wants me to sign it this afternoon. I can't tell you whether I will or not.

Q Are you agreed on the minimum mark-up in the retail code?

THE PRESIDENT: I haven't seen it.

Q Thank you, Mr. President.

(The Press Conference adjourned at 4.15 P.M.)

CONFIDENTIAL
Press Conference #63
In the President's bedroom, at the White House
October 25, 1933, 10.45 AM

THE PRESIDENT: I thought I would have you up here instead of postponing things until this afternoon. The reason I am held in bed is because I have just had a lamp on me. It is just a cold in my nose and nothing else and no temperature at any time. I will be up in fifteen minutes.

That lamp, infra red, is a perfectly grand thing. Have you ever tried it?

Q No.

THE PRESIDENT: I had it on my nose and it clears up in just about ten minutes.

Q What do you call it?

THE PRESIDENT: Infra-red. It is just a heat lamp.

Q Just the opposite of a violet ray?

THE PRESIDENT: It is what they call the other end of the spectrum.

Q Any truth to the report from New York?

THE PRESIDENT: What is it?

Q This was about Mr. McKee being reported as insinuating that he has your backing and that LaGuardia will be against you.

THE PRESIDENT: I will have to be perfectly frank. The only thing I can tell you on that is for background. I haven't even read what is going on in any local election. I haven't had time. I don't know and I can tell you, I think, another thing which we had best keep off the record -- entirely off the record. There was a certain municipality where they were having a primary fight about two months ago and some member of the Cabinet went there to make a speech on -- oh, I know who it was, it was Johnson. He had to make an NRA speech and one of the factions there in this primary fight met him at the station, grabbed him and took him to dinner and one of the leading people in that faction was the fellow who introduced him. So the next day -- Johnson didn't know anything about this thing -- and the next day that particular faction all over this particular city claimed that the Administration was backing them. "Didn't we have Johnson last night? Didn't we wine him and dine him and introduce him?" So at once the opposition began telegraphing me and demanding whether it was true that the Administration was backing the other faction and we did a perfectly silly thing. We said, "Why, no; of course not." Whereupon the other faction said, "Oh, ho. You see? They are not backing this faction, they are backing us." (Laughter)

That story is a perfectly good moral applying to any local election. We are, simply, not taking any part, and it is perfectly true that I haven't read the papers. There are too many local elections in the United States. And another thing, I don't vote in New York City and never have. I can tell you a lot about Dutchess County, but that is different.

Q Are you going up there to vote?

THE PRESIDENT: I am going to vote by mail.

Q Did you ever happen to meet Peter Pratt who ran the Pratt House?

THE PRESIDENT: Of course. He was a grand old fellow. How many speeches have I made from the front porch of the Pratt House?

Q Are you considering a revamping of the Tariff Commission, putting it into some department, like the Department of Commerce?

THE PRESIDENT: That has not been considered at all. I don't know where that story came from.

MR. EARLY: It came out of the Humphrey thing, sir.

THE PRESIDENT: He wasn't Tariff.

MR. EARLY: Federal Trade.

Q We figured that what happened down there might happen another place.

Q I have a request question. Is there anything new on the whiskey question or the whiskey regulations?

THE PRESIDENT: No. That informal committee and the different departments concerned are going to make some kind of a preliminary report within a couple of days. I don't even know whether they have had a ruling by the Attorney General. That is the first thing before we do anything else.

Q Just what will it cover; the report, I mean?

THE PRESIDENT: The first thing it covers is what happens the day the Eighteenth Amendment is repealed.

Q What taxes go into effect?

THE PRESIDENT: We don't know. The import duties and the taxes and does the old medicinal import law continue on the books. We don't even know that.

Q Have you any definite plans for Armistice Day -- your own personal participation?

THE PRESIDENT: I am going out to lay a wreath.

Q Anything else?

MR. EARLY: You are to lay a wreath and Mrs. Roosevelt will lay a single rose on the Tomb of the Unknown Soldier at eleven o'clock.

Q No speaches?

THE PRESIDENT: No. I do not think I have any more speeches scheduled at all. I did altogether too much talking the last two or three weeks.

Q The question of the constitutionality of having the RFC doing the gold trading has been raised. Do you have any question in mind about that?

THE PRESIDENT: The Attorney General has ruled on it.

Q There seems to be some difference of opinion among the -- (interrupted)

THE PRESIDENT: The Attorney General has ruled on it.

Q Will there be an Executive Order? Jesse Jones indicated there would be this morning at the Treasury.

THE PRESIDENT: No. They fixed the price this morning.

Q 31.36. The London price is 30.99. Is that news to you?

THE PRESIDENT: I knew it had gone up a couple of shillings.

Q Any discussion or further illustration of the monetary policy? (Laughter)

THE PRESIDENT: I thought the speech covered that all right.

Q I came over here burdened with questions, none of which seem worth while asking unless you want to discuss it in a general way.

THE PRESIDENT: Here is the thing. Of course everybody in New York would like to have from me a schedule for sixty days or a year ahead saying exactly what will be done every morning before breakfast. It is perfectly natural that they would like to have it. But what we are aiming at is an objective.

Q Is this off the record?

THE PRESIDENT: No. You can use this for background. And, of course, when it comes down to an announcement of what will be done tomorrow or a week or a month ahead, that is perfectly impossible. Great Britain doesn't do it and no nation does it in their governmental financial operations. Nobody knows what the British Treasury or the Bank of England is going to do tomorrow or what the Bank of France is going to do.

Q Of course it is perfectly impossible to say now when or if any foreign operation may be engaged in?

THE PRESIDENT: No.

Q In that connection, I wonder if you are ready to say yet whether the Treasury gold, already held by the Treasury, will be revalued in any sense or in connection with the purchases by the RFC at higher prices?

THE PRESIDENT: That is like asking a question: "Are you going to issue a proclamation?", which I have power to do under authority of Congress. But, of course, I can't say anything at all. That is what lots of people would like to know.

Q Do you consider it a favorable sign the way foreign exchange markets have discounted the mere announcement of this new policy?

THE PRESIDENT: There again you are bringing in a factor which should not be over-emphasized, and that is the foreign exchange value. It is the same thing that appeared a little bit in that AP dispatch a week or ten days ago in which the very excellent phrase was used about the 4% tail wagging the 96% dog, which is a peach.

Q (Mr. Stephenson) I wish I could take credit for it. (Laughter)

THE PRESIDENT: That is the difficulty of over-emphasis of what happens in regard to foreign exchange, except there you find a single factor of the American Government's policy. You have the other factor of British and French stories, etc., over which we have no control.

Q Can't that be fairly interpreted as a pretty definite reaction to the single policy of which you speak?

THE PRESIDENT: Not necessarily, because I haven't the vaguest idea of what they are going to do. They may reverse the trend this day, this moment.

Q What response have you had on your speech Sunday night?

THE PRESIDENT: We have had -- how many? -- 2,000 telegrams.

MR. EARLY: That is a fair number.

THE PRESIDENT: I think that is a fair number because I have had three big stacks that must run seven or eight hundred to the stack and shows the value, by the way, of going through those stacks. I found in the stacks which were classified as relating to the monetary end -- the speech -- I found three or four owners who wanted immediate action taken on the foreclosure of their mortgages. They could have gotten lost if I hadn't gone through them. We had two telegrams on the monetary end which were not favorable. One was from a gentleman in New England who says, "Don't like your speech; don't understand it." And the other one was from out West. What did that one say? It was rather a gem; it said, "Think you are all wrong. Silver is the only proper medium of exchange." (Laughter)

Those are the only two telegrams, really.

Q Are they for direct quotation?

THE PRESIDENT: If you want them. One fellow didn't understand and the other thought silver was the only medium of exchange.

Q I see your speech converted the great Hoover Republican in the State of New York, Frank Gannett.

THE PRESIDENT: Yes; tickled to death. I got an awfully nice telegram from Frank Gannett.

Q He was the only die-hard left in the State of New York.

THE PRESIDENT: By the way, Ruby Black, off the record, brought in some clippings from the Portland, Maine, paper with the reference to the Gannett up there.

Q They are not relatives at all.

THE PRESIDENT: I wondered about that because the Gannett up there is thoroughly in wrong.

Q He has been sued for libel and so on.

THE PRESIDENT: I saw Phillips this morning and they do not know yet, definitely, but think that Mr. Litvinov is coming here very early in November. They do not know the definite date.

MR. EARLY: The papers say he will sail Thursday, which is tomorrow.

THE PRESIDENT: Very early in November, and that does bring up a rather difficult problem with respect to the Secretary of State going to Montevideo because I do want him in both places. That is why I am hoping that Mr. Litvinov will get here before the Secretary of State has to sail for Montevideo.

Q Then the Secretary is going to Montevideo?

THE PRESIDENT: Yes. I hope very much that the two things will work out so as to give him time to be at both parties.

Q My understanding is that the last boat which can make that Conference leaves on November 11th.

THE PRESIDENT: I think it does. I don't know whether it is the 11th or the 7th.

Q It is the 11th, I think. There is one on the 4th and one on the 11th.

Q Any callers today?

THE PRESIDENT: Various people, Wallace and several others.

Q Anything on the Captive mine situation?

THE PRESIDENT: I have not heard a word except -- you cannot use it -- a confidential message from Mr. Myron Taylor's secretary to Mac yesterday that they hoped to have an answer for me within twenty-four hours. There has been this correspondence I told you about the other day.

Q Anything to be said on the returns from the President's re-employment survey -- those cards which have been sent out in large numbers?

THE PRESIDENT: I don't know when they will come in.

Q I understand they are coming in but don't know the machinery that is handling them. It is in NRA, isn't it?

THE PRESIDENT: Yes, it is in NRA. Of course, the difficulty of any definite figures is that there are so many nooks and crannies you can't reach.

For instance, in Hyde Park there have been quite a number of people out of work in the Village of Hyde Park. Now those who find work in Poughkeepsie would naturally be reported on but, on the other hand, five or ten men might find local work on painting houses, etc. They don't come under any large employer and you would not get a return on them at all. That is why I think I was perfectly conservative in that estimate of four million people back to work that I used the other night.

The Federation of Labor figures showed three million six hundred thousand, and the Department of Labor figures only showed three million, but the Department of Labor figures only took in industries and, in addition to that, there are small towns all over the country where there are men who have gone back, but nobody is reporting those men who have gone back. For example, a farmer puts on an extra man or a fellow gets his house painted. That is why I think four million is a perfectly conservative estimate.

Q Anything further on the farm strike situation in the middle west?

THE PRESIDENT: I haven't heard a word outside of last night's papers.

Q The answer on the captive mine thing is expected in the next twenty-four hours?

THE PRESIDENT: You had better say "shortly".

Q Sort of getting tired of waiting for that, aren't you?

THE PRESIDENT: Sort of long drawn out. It is a nuisance.

Q Getting back to those figures, you used also that 13 million. Is that from the Federation of Labor statistics?

THE PRESIDENT: They said 13,650,000 or something like that. I took that, but I took some off of it because a lot of their figures, inevitably almost, coming from the heads of local unions, include among the unemployed people who have had, during the course of the month, certain odd jobs. Now, as a very simple example of that, which I would rather you did not use, because it is a personal one, is a carpenter up there at Hyde Park who does belong to the local union. They put him down as unemployed and he had reported himself as unemployed, but actually that carpenter had made during the course of the month $30 on odd jobs. That is why I cut the thing down a little bit to around thirteen million.

Q. Do you anticipate that these employment cards that are coming in will bear you out in the four million?

THE PRESIDENT: No. Of course, there again these employment cards will come from places with populations over 2500 and you have to average it. There is no way of getting a definite census except through the ten-year census.

Q The question of Cuban recognition has come up. Anything new on that, or any developments in prospect?

THE PRESIDENT: All I know is that I said to Bill Phillips, "Anything new on Cuba?" And he said, "No."

Q We won't recognize them today, then? (Laughter)

THE PRESIDENT: I suppose I must get up and go in and begin seeing people. I think I will be over at the office tomorrow.

Q Thank you, Mr. President.

(The Press Conference adjourned
at 11.00 AM)

CONFIDENTIAL
Press Conference #64
Executive Offices of the White House
October 27, 1933, 4.08 PM

THE PRESIDENT: I was just saying to the front row that I am afraid it is a sort of dull day today.

The Secretary of State, I think, told you this morning that he is not pushing off until the 11th of November. He asked me to emphasize again to you that this is not caused by any one thing but by a multiplicity of problems that he cannot finish by the 5th of November. In other words, do not write the story that it is Russia, because it is a lot of other things too. Russia is merely one of the incidents; he has his commercial negotiations still going on with five nations, he still has the British representative over here on the debts, and there are quite a number of other things which he has got to clean up before he goes on account of the fact that Congress will be in session before he gets back. He has to go over his budget, have that all finished or the highlights of it before he goes away.

Q Does that mean that the British negotiations are likely to be cleared up before he goes away?

THE PRESIDENT: That I don't know. There are a good many ramifications, not only there but also with respect to other countries.

Q General Johnson and Henry Ford seem to be shooting back and forth at each other today. Can you tell us anything about that controversy?

THE PRESIDENT: I have not had any part in it at all, except what I read. The question we talked about was the question of buying Ford cars for the Government and unless the Comptroller General has a different opinion it seems fairly clear that the Industrial Recovery Act calls for the purchase of goods that have been manufactured not only in accordance with NRA conditions but also by people who have gone along with the general agreement. The probability is that unless the Comptroller General holds the other way we have got to eliminate the purchase of Ford cars even though the dealer who happens to offer them has signed up as a dealer to follow the NRA. In other words, it really comes down to a matter of common sense. It is the article rather than the person you buy it through.

Q Have you asked the Comptroller General to make a ruling, sir?

THE PRESIDENT: I have not. I think somebody is talking with him about it.

Tomorrow morning at ten-thirty we are going to have a very interesting letter from the Administrator of Railroads to the steel rail companies. I cannot tell you the story beforehand except to tell you that I recommend that you get it at ten-thirty tomorrow morning.

Q Will it be given out here, sir?

THE PRESIDENT: No, by the Railroad Administrator.

Q He does not like those offers? (Laughter)

Q Would you care to indicate your attitude on that, as to whether you regard the 37.35 as a bid?

THE PRESIDENT: Wait until you get the letter.

Q Any comment on the slight rise in the price of the dollar abroad today?

THE PRESIDENT: No comment.

Q Do you care to comment on this gold proposition at all, Mr. President?

THE PRESIDENT: No.

Q Is that Committee report on the liquor situation any nearer completion?

THE PRESIDENT: They told me that the Committee which has been working on it has their figures, their facts, completed. They have the tentative opinions from the Department of Justice and they are now working on recommendations that each of the departments will make. They hope to be finished by next Monday night and it will be presented to me either Tuesday or Wednesday of next week.

Q Mr. President, some time back it was suggested that you were attempting to get about two hundred and fifty million dollars a year to take care of the interest on the three billion three hundred million dollar building program. Is it your plan to take any more than that two hundred and fifty million dollars in taxes?

THE PRESIDENT: I think you are a little premature because I do not think we know enough yet in this particular fiscal year as to how we are coming out. That is a thing we cannot determine until we make our final estimates on the budget which have to be made just before I send the budget message to Congress. Those will be the final figures and also, of course, that will depend on whether or not we use more than the two hundred and fifty millions. It would depend to a certain extent on whatever program we decide on in regard to additional public works for the following fiscal year. You are about two months ahead.

Q Are you considering, Mr. President, some additional public works?

THE PRESIDENT: For the following year?

Q Yes, sir.

THE PRESIDENT: I think it would be a fair guess on your part. You cannot entirely eliminate public works the following year.

Q Anything new for Russ Young and myself?

THE PRESIDENT: No. I gave you a story, did I not? I put in a lady judge. (Laughter)

Q Mr. President, in that connection --

THE PRESIDENT: Now, all we guaranteed was one appointment every six months. (Laughter)

Q In that connection, I understand there was a Committee of Government employees, or former Government employees, around here the other day with a petition urging an order that Civil Service employees be given preference in employing people around the departments. Has that come to your attention?

THE PRESIDENT: Yes, it came in and I sent it over to Douglas because my thought was that they were being given a preference. That certainly was my intention away back when the new organizations got started. I sent it over to Lew Douglas to check up on it with the Civil Service Commission.

Q May I go back to the Ford matter just a minute: Is it your position that a company which complies with the Code but which has not obtained the Blue Eagle should not receive public contracts?

THE PRESIDENT: I think, in general, yes.

Q I want to ask one other question: There has been noted, around the world, a disposition to curb the freedom of the press and I wanted to get your attitude on that. (Laughter)

THE PRESIDENT: Well, look, John (Boettiger), you tell Bert McCormick that he is seeing things under the bed. (Laughter)

Q We were advised that the steel people are coming down next week.

THE PRESIDENT: They are coming on Monday.

Q I wonder if there is anything you can give us on that. We had a message from Pittsburgh, from Mr. Murray, who is with the Union. He said there have been no negotiations for two weeks and no progress has been possible and I wondered if you concurred in that view.

THE PRESIDENT: I don't think I had better put it that way because they may have been conferring, might have been conferring down here. They might have been conferring with the Federation or with the United Mine Workers via Johnson. I don't know.

Q Yes, sir. Is there anything you can give us in connection with Monday's conference at all?

THE PRESIDENT: No, I don't know what they are going to say to me. They were not ready today.

Q You will have something to say to them?

THE PRESIDENT: It depends on what they say to me.

Q There have been reports that the salary clause will be eliminated from the Motion Picture Code, either by General Johnson on legal grounds or by you because of the kick-back and that the whole thing will be referred to Congress for general salary legislation.

THE PRESIDENT: I have not heard a word on the Picture Code except that Senator McAdoo was here this morning and he is on his way back to Los Angeles.

Q You have not reached any decision?

THE PRESIDENT: I have not.

Q Will it be expecting too much for this liquor report to cause an extra session of Congress?

THE PRESIDENT: No, it will not. I think that is an absolutely safe guess.

Q Those of us who are on the consuming end are very much interested --

Q Are you talking about liquor, too? (Laughter)

Q -- are very much interested in know whether the tax rate will be sufficiently low to beat the bootlegger, to put him and the moonshiner out of business, or whether there will be a rate of $6.40 a gallon.

THE PRESIDENT: Of course I cannot say anything, even by way of background, on that, until I get the reports and also the recommendations from the different departments. Those recommendations will be all separate. It won't be a general recommendation. There will be one from the State Department, one from the Attorney General, one from the Secretary of the Treasury, and so forth. I think I can tell you, off the record, that of course it is perfectly obvious that we want to get the price of good wholesome liquor down to such point that the bootlegger won't be able to get in under it. What that point is -- well, there is a pretty wide range of difference of opinion on that.

Q Dr. Doran figured on $3 a gallon that we would get two hundred and forty million dollars the first year.

THE PRESIDENT: Yes, and also, off the record, it is my thought that the revenue result should not be the controlling factor. Of course, the Treasury will naturally be thinking about revenue. But that should not be the controlling factor in fixing a liquor tax or an import duty.

Q Can you tell us whether you have a clear picture of what the British want on this debt business?

THE PRESIDENT: I have not had any reports yet. They are still talking about it.

Q Is that likely to go on for some time?

THE PRESIDENT: I don't even know that.

B Q Any radical changes in the Child Labor Amendment -- ratification by the states?

THE PRESIDENT: The old Child Labor Amendment?

Q Yes, sir.

THE PRESIDENT: I don't know. That is a new one. I haven't said anything about it. Of course, personally, I would like to see it ratified. I asked the New York State Legislature I don't know when, three or four years ago, to please ratify and they didn't do it, but, on the other hand, it might be possible to accomplish the same results without it. I think it would be a perfectly fine idea if it could be ratified.

Q Make it permanent?

THE PRESIDENT: Make it permanent, yes.

Q Anything on Whitney's visit yesterday, Mr. President?

THE PRESIDENT: No, only we discussed exchanges in general and speculation in general. He told me some things and I told him some facts, too. You see -- let me talk to you just about three minutes, entirely off the record.

I won't keep you long. I will talk about one of the problems on speculation that we have at the present time.

There are a lot of people who feel that there should be, I don't know what, they call it a "live market", so as to maintain a constant standard of values not only for securities but for raw products of all kinds -- wheat and cotton and copper, etc. -- and having a market of that kind with a long interest and a short interest in it both, it prevents unhealthy swings either up or down, and you get a lot of people in it and such a wide field that it prevents great fluctuations.

There is another school of thought, of course, that says that because of speculation you get wider swings. Take wheat as an example: The wheat market -- these are just very offhand figures -- the wheat market went up from around 42 to 45 cents in the Spring and kept on going up fairly steadily and probably, so far as purchases by millers and people who were going to use the wheat for flour went, wheat might have gone up -- this is, of course, a guess -- to 80 or 85 or possibly 90 cents. However, in the wheat business, well over 80% of the daily transactions are speculative. There are engaged in buying people who have no intention of turning the wheat into food of any kind. They buy it merely in order, later on, to sell, or they sell it in order, later on, to buy it back. Largely because there was this speculative interest in wheat, it was driven up to $1.25 a bushel. There were various people that had various long accounts and it got up to such a point that it cracked and when it did, everything was thrown overboard and it forced it down to 90 cents, which was 35 cents a bushel down, almost overnight. There, again, a speculative element entered into it and they figured out all the longs had been driven out and it was time to buy and push it up, and it went back. There, again, a lot of people got scared and so it went down to 67 cents and now it is back to 88 or 89 cents, something like that.

It is a very serious question of whether, with over 80% of the sales purely speculative, it does not cause much greater swings than if that speculative element in the buying and selling of wheat were curtailed. At the present time in the -- we checked it pretty carefully in the Chicago wheat pit -- there are about 135 million bushels of wheat that are held by speculators. Now those are not the millers; they are not people who are going to export. They are speculators and, of those 135 million bushels, there are about twenty individuals who own twenty-five million bushels of wheat; there are people who own, for speculative purposes, over two hundred thousand bushels apiece. They are only in the market in order to sell later on. They are, nearly all of them, on the long side. That is hanging over the market. There is practically no heavy short interest in the wheat pit at the present time, as you know. Is that a good thing? Well, it is a big question mark, that is all you can say.

Q Why isn't the short interest there?

THE PRESIDENT: Probably they are afraid of what the President of the United States is going to do. (Laughter)

Q Is it a free and open market?

THE PRESIDENT: No, it is not. But should there be the kind of free and open market that allows you and me who don't, most of us, know very much about wheat, to go in there and just gamble with a thing that the farmer has to sell in order to make his living? It is just pure, sheer speculation. There, again, is the question mark. And I was talking with Dick Whitney about that same problem, as to what amount of the sales on the New York Stock Exchange are real sales and real buys, and what amount of sales on the Stock Exchange are purely gambling propositions. Again the question mark. (Laughter) So I think that is as far as we need go today, but it gives you an idea of things.

Q The two question marks are a little different -- stock and wheat. There is a free and open market in stocks?

THE PRESIDENT: Yes.

Q Does this indicate that this long interest --

THE PRESIDENT: I am not indicating anything.

Q Do you think you will go down the river?

THE PRESIDENT: I don't think so. I think I will stay and work.

Q Have you taken up the Puerto Rican situation at all?

THE PRESIDENT: I have started talking to the Secretary of War about it but haven't finished. I will talk tomorrow about it.

Q On the Securities Act, was it part of the purpose in framing that Act to prevent the sale of all foreign securities in this country, such as other governments, like Great Britain and Canada?

THE PRESIDENT: No.

Q That is the way it is working out.

THE PRESIDENT: Why is it working out that way?

Q Because there are no such things as sales by these foreign governments because they are used to offering their securities by bids and they have to put in a 20-day notice now before they can offer loans at all.

Q You are a little bit over my head on that. I don't know enough about the technicalities.

Q A broker offering a security from Canada, for instance, has to give a twenty-day notice and approximate prices and Canada has been accustomed to do her borrowing on tenders. They cannot even approximate a price which would be the price the security would bring at least twenty days ahead of time.

THE PRESIDENT: Well, aren't there other ways of doing it? I: I ran up against that when I was Governor of New York. There was a question at one time of giving notice before and getting the price fixed ahead of time, and one suggestion made by the Comptroller at that time was that we should open bids on a certain day. Now, I think under the Securities Act that bids can be opened on a specified day. Of course, those may be made up to five months before the bidding time. I don't think it is an insuperable obstacle for the offering of foreign securities. I think there are other ways out of it.

Q Thank you, Mr. President.

THE PRESIDENT: Steve (Early) says that what I was talking to you about as off the record, that you use it on your own authority instead of putting it on the White House.

Q The question mark part?

THE PRESIDENT: Yes. Use it on your own authority, but don't pin it on the White House.

Q What about Whitney? (Laughter)

(The Press Conference adjourned at 4.30 PM)

CONFIDENTIAL
Press Conference #65
Executive Offices of the White House

November 1, 1933, 10.38 A.M.

THE PRESIDENT: Well, before we start, Steve (Early) suggests that I repeat, because there are so many new faces that have come in since March, what might be called definitions. He suggests that news given as "background" is for use by the press and can be attributed to me, provided it is written in the third person. Number two, that my statements can be used with direct quotations only when given out in writing. Third, that information or anything "off the record" is given in confidence and is not for use in any fashion, nor is it to be repeated to those outside of the Conference.

I have got a graph here and also a report from the Interpreting Economist that was given to me yesterday afternoon. I see no reason why you should not see it. I have not had copies made of it, it is in the wavy lines that you are all familiar with and, to put it in more satisfactory form, I have had it translated in terms of columns which should certainly appeal to those who are specialists in columns. The graph shows certain things fairly clearly in regard to prices.

The columns on the first page -- there are only two pages -- show the prices for all commodities and then for the ten major commodities which are in separate columns -- farm products, textile products, building materials, and so on.

Then the second page only has three columns on it. It shows the prices received by farmers for what they produce. And the next column shows the prices paid by farmers for what they buy and the third is retail food prices.

Of course it is only fair, I think, in writing these stories to point out that these cover the Nation as a whole. In other words, we are trying to picture the thing from the National point of view and there may be some particular group which may, as the Economist points out, lower than it was last year, or there may be some locality where the prices paid by the farmers are a great deal higher than the prices shown on the curve. But this does represent the average of the Nation as a whole, and of course it is subject to correction for the individual locality. Thus, with the average of the increase in retail food prices, in some places they may not have gone up at all and in other places they may have gone up a great deal more than the average shown.

There is no reason why I should not read some portions of the report as it does give a pretty clear picture and a pretty satisfactory picture. His summary is this: (Reading)

> "Preliminary data indicate that final figures for October will show a somewhat further decline in factory operations, especially in the output of semi-finished goods. Factory operations as a whole, however, will remain well above the highest levels of last year. The causes of this decline were outlined in the summary prepared on September 2 where it was pointed out, first, that two-thirds of the huge advance in factory output between March and July was concentrated in the textile industry, the leather industry, and the steel industry; second, that all three of these large industries were operating at higher rates than could be sustained in view of the level of market demand for their products, and, third, that there was a little prospect of immediate expansion in other industries sufficient to offset a more balanced rate of operations in these industries. The recession in output which has occurred since July, therefore, was to be expected. It does not in itself represent a fundamental downward trend so much as reaction from an over-rapid expansion in particular industries earlier in the year.
>
> "The fundamental trend of industry, as contrasted with these month-to-month movements, is determined much more by conditions in the heavy industries where the depression is now concentrated. In canvassing the current prospects in these industries, the break in steel operations from an average of 59 per cent of capacity in July to about 31 per cent of capacity during the fourth week of October should not be overemphasized, since there was no evidence that consuming outlets for steel were operating at a rate sufficient to justify

> steel making at anything like 59 per cent of capacity in July. So far as we can judge, the trend of final consuming outlets for steel has increased rather than decreased in recent weeks. While construction contracts are still low, they have increased steadily on a daily average basis since March (reflecting largely an increased volume of contracts for public works), and in the first half of October exceeded contracts last year. Demand for machine tools has also continued to rise since the spring reflecting revival in the automobile industry and a scattered demand for improved factory equipment. The recent decline in automobile output is partly seasonal in character and represents preparation for the introduction of new models for 1934 which is expected to show a continuation of the revival in automobile demand which began last spring. Railroad buying has remained low but will improve now that negotiations over the price of steel rails have been successfully concluded."

And then, on retail trade, there is very much the same story showing that on the average there has been a fair advance in retail trade, that there was excessive buying probably in August and that it is flattening out to a normal increase.

On exports and imports during September, exports were 160 million dollars and imports 147 million dollars. Taking the third quarter of the year as a whole, he says, "Exports showed an expansion of 25 per cent over last year as compared with an increase of 65 per cent in imports. These large increases reflect higher prices for raw materials which enter heavily into our foreign trade as well as a larger physical movement of goods."

Then, on agriculture, his report is merely a re-statement of these curves and graphs.

"Secretary Perkins of Labor," he says, (Reading)

> "reports that the increase in average hourly wage rates and the decrease in average hours worked per week which was noted in August, continued in September. Taking the two months together, average hourly wages have increased from 42.7 cents to 51.4 cents, while average hours worked per week have declined concurrently from 42.3 to 36.1. These changes are clearly due to the N.R.A. codes. Secretary Perkins states that the changes in wage rates do not necessarily represent an increase in total average weekly earnings, but they do represent shorter hours with no pay cut at the same time that employment was provided for thousands of additional workers."

So now you know as much about it as the Interpreting Economist.

Q Who is the Interpreting Economist?

THE PRESIDENT: Mr. Riefler.

Q What were the industries he named?

THE PRESIDENT: Textile, steel and leather.

Q Mr. President, what is your conclusion after reading that? What does that indicate to your mind?

THE PRESIDENT: Things are getting along pretty well. Employment is increasing, buying is increasing.

Q Mr. President, can you discuss with us the purpose of buying gold in the foreign markets?

THE PRESIDENT: To increase the price level. I said that a week ago Sunday night.

Q Are you negotiating with the Bank of England or with Paris in this connection?

THE PRESIDENT: I am not negotiating with anybody.

Q You personally or the Administration?

THE PRESIDENT: I am not negotiating with anybody. Who other people are negotiating with I don't know.

Q Has anyone else any authority to negotiate abroad?

THE PRESIDENT: You will have to ask the R.F.C.

Q Do you mean --

THE PRESIDENT: They have authority to buy gold.

Q Would you mind explaining the mechanics of how this is going to increase the commodity prices? How do you figure it is going to increase the commodity prices?

THE PRESIDENT: I hope it will but to go into mechanics, it will take all the rest of the day for all of us.

Q We spent three days trying to do it. (Laughter)

THE PRESIDENT: Heavens, I am not an expert on it and very few of you are. I don't think any of us would get anywhere.

Q Can you tell us what the farm chart shows?

THE PRESIDENT: The farm chart shows that the prices received by farmers have gone up from 40, they have gone up to the top of this line here (indicating) which is the figure on October 11th. That means that these figures are three weeks old. That means that the farm prices received have gone from 40 to about 54 in September and then they receded to about 52 on October 11th. In other words, it shows a gain from 40 to 52 as of the last date taken on the chart. The prices paid by farmers had gone from about 68 to 77. They, too, had gone up a little bit and then had come down to about 77.

In other words, it shows that the farm prices for crops went up from about 40 to about 53, which is a gain of about 13, and the prices paid by the farmers have gone up from 68 to about 77, which is a gain of about 9.

Q In what period, Mr. President?

THE PRESIDENT: The four weeks ending October 11th.

Q Those figures are against 100 parity for 1926?

THE PRESIDENT: Yes.

Q Does this graph indicate the group of farmers which has received the largest increase?

THE PRESIDENT: No; it is not broken down. It is all farm products.

Q Does that indicate food prices too?

THE PRESIDENT: No, food prices is over on this other chart (indicating). It shows that food prices went from about 69 to 75 and then went back to 74.

Q What is the situation on debts?

THE PRESIDENT: I haven't heard any word since last Friday and I told you that I had not had anything then.

Q What is the status of the Government reports on Prohibition? [Repeal ?]

THE PRESIDENT: The reports have come in and are in that basket (indicating). The whole lot of them, and a supplementary report, will be in tomorrow from the committee which takes up certain other phases that were not covered, such as the problem of backstrap molasses which, apparently, is very important in making alcohol.

Q Mr. President, can you tell us by what process of reasoning the Civil Service Commission adduces that a man of forty, a man over forty, cannot render effective service to the Government?

THE PRESIDENT: I saw this morning in the Herald that that subject had been the subject of discussion at the

Council meeting yesterday. That was a flat statement but, unfortunately, it was not discussed in any shape, manner or form and all I know is what I read in the papers. I understand, on checking this morning, that Miss Perkins and the Civil Service Commission are going into the whole question. That is literally all I know about it.

Q How about the embargo on imported liquor?

THE PRESIDENT: Well, on the imported liquor, the situation really comes down to this and, mind you, this only relates up to the time that the Eighteenth Amendment is actually repealed, because I don't know what the report of the Attorney General will be on the following period: Between now and the time the Eighteenth Amendment is repealed I believe we have to live up to the spirit and the intent of the original law. The original law provided that certain wines and liquors could be imported for medicinal purposes. Now, it was clearly the intent that they should be brought in in sufficient quantities for medicinal purposes and no more. That was the law. That was the thought in the mind of the Congress when they passed that law and I see no reason for putting a new interpretation on it at this time.

It becomes, then, a question of fact as to whether we have in this country at the present time sufficient supplies of medicinal liquor or not. It was felt by both the Secretary of the Treasury and myself that we should live up to the spirit of the law as long as it is on the statute books.

Q Mr. President, may we get back to gold for just a moment? There was a committee of ten appointed here Sunday night to devise the machinery for gold trading. Have they reported?

THE PRESIDENT: Oh, no, there was no committee of ten appointed Sunday.

Q It was our understanding that they were to devise the machinery?

THE PRESIDENT: Oh, no, no such thing as a committee of ten. Jesse Jones of the R.F.C. and Governor Black of the Federal Reserve Board and Governor Harrison of the Federal Reserve Bank undertook to set up the machinery for it. That was all there was. No committee or anything else.

Q Have they reported to you?

THE PRESIDENT: No.

Q When is that machinery to start working?

THE PRESIDENT: I don't know. You will have to ask Jesse Jones and I don't think he knows.

Q I don't think so. (Laughter)

Q Did you and Secretary Wallace reach a new conclusion with regard to sugar in the Monday conference?

THE PRESIDENT: No, I haven't talked sugar for quite a while.

Q Thank you, Mr. President.

(The Press Conference adjourned at 10.55 A.M.)

CONFIDENTIAL
Press Conference #66
Executive Offices of the White House
November 3, 1933, 4.10 P.M.

THE PRESIDENT: Quite a mob today.

Q It must be the spring weather. They expect a good farm story.

THE PRESIDENT: I don't believe they will get any farm story. Haven't got to it yet.

MR. DONALDSON: All in.

THE PRESIDENT: What is the news?

Q That is what we want to know.

Q Mr. President, what is the significance of the fleet coming back from the Pacific Coast?

THE PRESIDENT: I think the only significance is that they have not been here for three and a half years. That is easy. A lot of people have forgotten what they look, like, also a lot of the officers and men who come from the east would like to see their families again.

Q They have kept them there so long. Is it that the need which kept them there does not exist any longer?

THE PRESIDENT: Who is that? Sounded like Charlie. Is that Charlie back there?

Q No.

THE PRESIDENT: It was a regular Charlie question. (Laughter) No; really, that is the only significance, that they have not been back here for three and a half years and a lot of people want to see them.

Q Anything about gold, so that we can know what we are writing about?

THE PRESIDENT: No. Didn't Jesse Jones talk to you yesterday?

Q He told us he knew nothing about it yesterday.

Q And we believe him. (Laughter)

Q He said that you were the only man who knew. (Laughter)

THE PRESIDENT: Then I guess nobody does.

Q He said you did.

THE PRESIDENT: I don't know anything about it. (Laughter)

Q Anything new on the Civil Service rule?

THE PRESIDENT: No. To tell you the honest truth, we did not get to it in Cabinet meeting. I meant to ask Perkins about it and didn't.

Q Are you going to see ~~Captain~~ the captive coal Miners this afternoon?

THE PRESIDENT: They were to see General Johnson as soon as he got back from New York; they are probably seeing him now. I told him that if they wanted to see me at half past five, they could.

Q Anything further from our midwestern governors?

THE PRESIDENT: No, still conferring with the Secretary of Agriculture.

Q Can you tell us something about your attitude toward the price fixing proposals talked about in the last few days?

THE PRESIDENT: I don't know exactly what you mean by "price fixing proposals". Perhaps I can talk to you for just a minute off the record again so that I can give you some idea, some of the results in agriculture. Well, let's start, say, in the South. Where, a year ago, the cotton growers got around 4½, 5, 5½ cents for their cotton, this year they made a pretty good crop which even was a good-sized crop after he had plowed a portion of it under and, of course, he did get paid for plowing under that portion he did plow under. So, from the cash point of view, he is very distinctly better off this year. He got nine or ten cents for his cotton where, last year, he got not much over half that amount. So, while we don't think on a parity basis cotton is high enough yet, we think it is a pretty good job for a year. Undoubtedly the purchasing power in the South has tremendously increased. That that is so is illustrated by the remark that General Wood of Sears Roebuck made to me the other day. The reason I keep this off the record is that I don't want any of these people whom I quote approached. Sears Roebuck sales in the country dropped off about this time last year, but Sears Roebuck sales in the South this year have gone up considerably, showing a very definite increase in purchasing power on the part of the agricultural communities and, of course, the South is primarily agricultural. For instance, in the State of Georgia, Sears showed an increase of 120% over the corresponding month of 1932. That is just an illustration to us that we are coming along in a satisfactory way this year, although we hope that next year we will get a higher price than 10¢ for cotton. That, however, we cannot talk about because it is next year; we don't know what the economic conditions will be.

Then, Number 2, the tobacco growing part of the country. There the tobacco farmers, because of this agreement we entered into, are getting 17 cents, I think it is, for their tobacco and their purchasing power has gone up relatively even more than that of the cotton farmers. 97% of them have signed up on acreage reduction for next year and the five big tobacco companies that do the buying of the tobacco have guaranteed a price of 17 cents for the average of this tobacco for the balance of this crop, which means about three-quarters of the crop which has not been sold. That is a very large increase in the actual price to the tobacco farmer, so he is getting along pretty well this year.

Then you come down to certain other sections. Take, for instance, cattle. Cattle are very bad. Cattle, of course, were not included in the AAA. They were left out at the suggestion of the members of the Congress and the Senate from the cattle country and practically nothing have we been able to do in regard to cattle. They are very nearly at the low point and it is a serious thing.

Take the case of wheat. Taking it by and large, through the wheat belt, the farmer is getting for his wheat pretty nearly twice what he got last year but he has had a very, very short crop and if, as in many cases, he only has had half as much wheat to sell off his farm as he had last year, it does not help him an awful lot to get twice as much money per bushel for it. So, from the cash point of view, the wheat farmer has not felt nearly as much a return toward prosperity as the cotton farmer and the tobacco farmer.

In the case of corn and hogs we are up against one of the most difficult problems that anybody could face because it is not just a case of a crop, it is a case of a crop plus a thing that the crop goes into. In other words, there are two factors and we have laid down what might be called a two-headed program which calls for a reduction in the number of hogs that will be fed next year, a processing tax which will pay for the reduction in hogs and, at the same time, purchase by the Government of just as many hogs as we can possibly use for relief purposes in order to cut down the tremendous surplus that exists in hogs at the present time.

Now, of course, there is always the other added difficulty in the case of hogs. Hogs are perishable. Wheat and cotton are not. Hogs have to be taken care of within a certain definite number of months. Wheat and cotton you can carry from year to year. What we hope is that we will be able to get the price of hogs up in the course of the winter, but that is not a guarantee that we can do it at once.

There, again, there hasn't been an adequate return and therefore a resumption of purchasing power in the corn-hog section of the country. It is not so good.

Then you come to another major crop, which is dairying. The actual price today in the dairy end of things is much nearer parity than it is in the case of corn or hogs or wheat. In the case of corn and hogs it is less than half of parity; in the case of dairying it is only down to about 25% below parity. They have had some return of purchasing power, but not enough. There again you have a double thing. You have a perishable product, which is milk and cream, and the non-perishable, which is cheese and canned milk and things of that kind. You have the regional problem because of the use of milk and cream within regional areas. We are proceeding along the lines of the regional plan which we started in New York State about four years ago. I think they have signed up the New England Regional Agreement with the expectation that that will give materially higher prices in that particular region. They are working on a number of regional agreements which ought to increase the price of milk, at least to the dairy farmer. That, again, like corn and hogs, is a very complex problem and we haven't by any means solved it yet. I might as well be quite frank -- we hope that things will get better and we are working on it as fast as we can.

When you get to the question of price fixing, it depends on what you call "price fixing". In the case of cotton, we may do it by lending a certain amount of money up to a certain number of cents per pound; corn in the crib, we have done the same thing. On the other problem of regions -- in some sections of the country, if the farmer can get, well, let us say, 70 cents for his wheat, they will do fairly well and in other sections of the country if they get 70 cents they will go broke. Well, can you have one price in one section and another price in another section? There are a great many different problems that enter into it.

In North Dakota, at the present time, the wheat that came from further south was sold at higher prices, some as high as 95 cents a bushel. North Dakota wheat, because it is the furthest north, comes in the latest and they have sold hardly any wheat in the market, therefore they have suffered from the speculative slump that brought it down to 67 cents. Those are the things we are all considering.

I don't know that there is any particular story in this. I am trying to give you gentlemen a view of the situation -- on the major situation. Things are pretty good in some sections and pretty rotten in other sections.

Q What is the plan that the governors are working on now?

THE PRESIDENT: I don't know; I couldn't tell you.

Q Any debt developments you can tell us?

THE PRESIDENT: Nothing new on that.

Q Can you tell us whether the conversations have narrowed down?

THE PRESIDENT: No, because I am not taking part in those conversations. Just the British and Acheson.

Q This farm summary which you gave us off the record, might we use that as background, eliminating the reference to Sears Roebuck?

THE PRESIDENT: Yes, eliminating reference to the White House.

Q Can you give us any information or background on the results of your new gold program, without going into it?

THE PRESIDENT: I don't think so, because, after all, on this gold thing, it is as Jesse Jones told some of you yesterday. For instance, you take the stabilization fund in England. The results and figures are never given out on that. Nor do they do it in France or in any other nation which is conducting anything in the way of central banking operations or government operations.

Q Has either of those countries made anything in the nature of a protest to us?

THE PRESIDENT: No.

Q They will know over on the other side, where the purchases, are made, in the Banks of England or France?

THE PRESIDENT: Oh, yes.

Q They will know what your purchases are?

THE PRESIDENT: I suppose they disclose it just the way they would any other purchase or sale through their own banks.

Q They refused to yesterday.

THE PRESIDENT: Did they?

Q The Bank of France said that they do not disclose the dealings with customers.

THE PRESIDENT: Then it does not get disclosed.

Q There are back stairs there, too. They let it out to their friends.

THE PRESIDENT: Yes?

Q On this farm thing, you are depending, of course, on the AAA, are you not? You think that will pull us through, or have you something new in mind?

THE PRESIDENT: (No answer.)

Q The fact that there have been no protests of any kind would indicate that there is accord, that they understand what you are trying to do -- boost commodities?

THE PRESIDENT: The objective has been declared from the very beginning. This country was told the objective and they were told, too. We were very careful to do that and to explain that we didn't want to do anything that would possibly hurt them.

Q Do you think they believe it?

THE PRESIDENT: We told them the truth about the objective. I think they believed that. I don't see any reason for believing anything else.

Q Are you going to do anything about silver soon?

THE PRESIDENT: I don't know; frankly I haven't any more idea than you have.

Q John Costello told us the other day --

THE PRESIDENT: Yes?

Q Is that true?

THE PRESIDENT: Is what true? (Laughter) No, I will tell you off the record that John Costello submitted several names to me and I have resubmitted the names to various members of the Cabinet.

Q Will you make the announcement before you go away?

THE PRESIDENT: Isn't that crowding me an awful lot? (Laughter)

Q Mr. President, there is a report that the Governor of Hawaii is going to be relieved of his post soon.

THE PRESIDENT: I haven't heard a word about it.

Q Mr. President, there is a report that some very big or special relief program has been proposed at the White House. Have you heard anything like that, sir?

THE PRESIDENT: That is true and it is not true. What you are talking about is this -- I don't see why you shouldn't use it and simply say that it is under discussion at the present time.

Out of the total number of people who are now on the relief rolls in the country which, as I remember it, is slightly over five million -- five and a half million --

Q Fifteen million.

THE PRESIDENT: That includes the members of their families. It is about five and a half million individuals or heads of families that are receiving relief. That out of that number, about one half -- nearly half -- about two and one half million are engaged in public works of various kinds; in other words, they are receiving what we call work relief. They are being paid in cash for the work that they do on all kinds of public works.

Now, the suggestion has been made that if the public works fund of three billion three hundred million could take over 30% of the total cost of these public works which are now being financed altogether by states and municipalities and Harry Hopkins -- if the public works fund could take over the 30% which they subscribe to other forms of public works in that fund, it would be possible to take all of these two and one half million people who are now counted as being on the relief rolls and take them off the relief rolls altogether.

Q And put them to work?

THE PRESIDENT: Continue them on their present work but give them a little more work so that, for example, the man who is working two days a week and getting ten dollars would get three days. Suppose he is a skilled man, a five dollars a day man working two days a week for ten dollars. He would be given work three days a week and would get fifteen dollars, so that he would be actually getting wages instead of work relief.

There is a great deal to be said for it. It represents a slight additional cost to the Federal Government in one sense. However, it is not any additional cost in the other sense, because it comes out of the three billion three hundred million just as much as if that were allocated to some other public works on a 30% basis. But the main point is that it takes two and a half million people off the relief rolls and there are a lot of people that would rather be off those rolls and working for cash than have their names on the rolls getting relief. It adds to the self-respect of the country and we are trying to find out whether a plan of that kind is a feasible thing to do. It would cut the number of families on relief very nearly in half.

Q Aren't they doing that to some degree now?

THE PRESIDENT: They are doing that to a slight degree at the present time.

Q I am a little stupid. How do you take those two and a half million off the rolls? That is what I don't get.

THE PRESIDENT: Let me give you a very simple example: Suppose you have been out of work for a long time and have to have relief and suppose you are a five dollar a day man with some kind of trade. You have to go and apply for relief. You are out of a job -- your family starving. They say, "All right; go over there to that particular park where we are trying to clean up, putting in new sidewalks and fixing it up. We will give you two days a week work and pay you ten dollars." You are on the rolls. You and your family are on the public rolls and they give you ten dollars a week. On the new basis you are employed three days a week and you are taken off the relief rolls entirely.

Q Who pays for it, the Federal Government or the State?

THE PRESIDENT: It means today you work two days and get $10. Out of that the City and State pay two-thirds and Harry Hopkins the other third. On the new basis you get $15 and of that $15, 30% would come from Harold Ickes as Public Works Administrator, 30% of the $15. The other 70% of the $15 would be divided, as it is today, between the State and the municipality and Harry Hopkins. Is that clear?

Q Yes.

Q In connection with the Federal pay cut, have you received any reports on the cost of living survey?

THE PRESIDENT: I asked Perkins and she said they are still hard at work and it isn't ready yet.

Q The statement of the Postmaster General last night that he was voting for Joseph McKee has been variously interpreted in the New York papers, of course, and I wondered if you could suggest the correct interpretation.

THE PRESIDENT: As to what?

Q As to what the Administration feels -- whether it tends to approve --

THE PRESIDENT: I can only repeat that I am taking no part in any municipal elections. I am going to vote at Hyde Park and it will be by mail this year.

Q What do you think of the Swope plan?

THE PRESIDENT: I think it is very interesting. There were two very good things in the papers this morning. Let us talk off the record again. One was the editorial in the Wall Street Journal. It is very good and very clear. The other story, which was very good, contained some excerpts from the speech that Arthur Krock made yesterday. And they both fitted in very well together and they are both very sensible.

For instance, the Wall Street Journal -- I have just marked a couple of things here -- the Wall Street Journal says that Mr. Swope evidently accepts this as an inescapable condition of the times. So does President Harriman of the United States Chamber of Commerce and so does Floyd Carlisle, if one may judge from his speech to the Bankers Association. Then Arthur Krock, in his speech in Toronto, carries out the same theory, "A plan, economic in form," he said of the program, "has been enlarged and fashioned into an instrument of social welfare. Its precise aim is to restore the normal flow of trade, raise prices and reduce unemployment.

"But its larger objective is to bring comfort and living security to the greatest number of people. Whether or not you believe it is wise, just or can work, you should judge it on that basis."

And then he said, further on, "those in charge of our government policies at this time are not complacent. The sufferings of society are uppermost in their minds, and what they are trying to do is to relieve these through new economic measures."

Now, of course Mr. Swope's plan is a very interesting theoretical suggestion in regard to some ultimate development of NRA. Probably there will be, in the course of the next two or three months or four months about 499 other plans looking to the future development of this economic and social experiment called NRA. And I think that all the discussion that there is about it is to the good. It does no harm at all because ultimately the mere -- what might be called the temporary mechanics of NRA we have seen going on these past few months will develop into something permanent which will have the two fold object of preventing the tremendous economic swings of the past with a certain amount of perhaps pseudo prosperity at the top and great suffering at the bottom, running down to the depression period when everybody is suffering. Trying to build on that should prevent recurrences of the swings and encourage certain ameliorations of the conditions suffered by the people at the bottom. Now, that is the awfully interesting thing about it and the more discussion about it the better.

Q Do you think the present is the time for the change suggested?

THE PRESIDENT: No change at this time. We still have to work on NRA.

Q It would be a question of months?

THE PRESIDENT: At least, yes.

Q Do you think the Government should keep control over that ultimate organization or machine for this objective you have outlined?

THE PRESIDENT: The easiest way to answer that is to ask you a question: Do you think that industry is yet able to run itself? That is the simplest answer.

Q Do you want my answer? No.

Q General Johnson said it would not do at all.

THE PRESIDENT: There is a lot so new from the point of view of Government and industry that industry has to develop along all kinds of lines in order to make itself capable of running itself. They are only beginning. They have never attempted before these new conditions they are trying today. Take, for instance, shoes. We have enough machinery in the country to turn out 900 million pairs of shoes -- shoe factories that can turn out that many shoes -- and we only use in this country about 300 million pairs of shoes. Now, is the shoe industry, as an industry, capable with absolute fairness to every individual, of handling the problem of the excess manufacturing capacity? And at the same time of not preventing the improvement of the shoe industry as a manufacturing unit? Now, we don't know. They have only just begun. At the same time, Government isn't infallible by any means. Government is only beginning to learn a lot of these new tricks. We are all going to school.

Q Do you think we will reach such a top?

THE PRESIDENT: It will never be a top, but better than in the past.

Q Do you think the industrial magnates will give us a square deal?

THE PRESIDENT: That all depends on the future.

Q About the future of NRA?

Q Was this all off the record?

THE PRESIDENT: Yes.

Q I wish there were some way of using it.

THE PRESIDENT: I think you can use that.

Q From the White House or on our own?

THE PRESIDENT: I think it is all right to let you use it from the White House. It is perfectly innocuous.

Q When will you release the report of the Liquor Committee?

THE PRESIDENT: I haven't got it yet. It is coming in tomorrow night.

Q Anything about the Puerto Rican situation?

THE PRESIDENT: No. I think the Secretary of War heard from Governor Gore that he has got to go to a hospital. You had better check with him on that.

MR. STORM: Thank you, Mr. President.

CONFIDENTIAL
Press Conference #67
Executive Offices of the White House
November 8, 1933, 10.55 A.M.

MR. DONALDSON: All in, Mr. President.

THE PRESIDENT: Friday, I told you just the beginnings of a story about this plan to take people off the relief rolls and give them regular employment. The plan has now been put through. I will read the high spots in the plan and I think Steve (Mr. Early) might just as well have it mimeographed and give it to you afterwards. (Reading) Four million men now out of employment will be put to work under a plan announced by the President. Two million will become self-sustaining employees on all kinds of Federal, State and local public work projects on November 16. These two million people will be taken completely off the relief rolls. In other words, they will be paid wages, instead of work relief. An additional two million we are going to try to put back to work as soon thereafter as possible. In other words, we hope by the 15th of December.

The plan will be administered by a department or division -- I would not call it that, it really is a new administration of Civil Works -- the Civil Works Administration, and I have appointed Mr. Hopkins as Administrator of that Administration.

The Civil Works Administration will be financed jointly by funds from the Public Works Administration and the Federal Emergency Relief Administration, but the States, cities, counties and towns will, as usual, be required to provide the funds to meet their share of the Civil Works program.

The Public Works Administrator is prepared to make an amount available to the Civil Works Administrator which may run as high as four hundred million dollars. That will come out of the three billion three hundred million dollars.

The two million men comprise those now on work relief provided by local relief administrations operating under State and Federal emergency relief administrations, and they will be placed on regular pay at the hourly rates prevailing for similar work in the community. The program contemplates a 30-hour week for the workers.

Work relief divisions of the existing State and local emergency unemployment relief administrations will be modified to perform the expanded employment activities, and will be known as the Civil Works Divisions. In other words, this does not mean setting up entirely new machinery.

It means transferring, almost entirely, the present relief administrations in all the various cities and counties throughout the country and making them Civil Works Divisions.

Creation of the new agency constitutes a fundamental change in the Federal program to deal with unemployment aspects of the depression. It will remove from the relief rolls a major portion of those receiving the necessities of life on the basis of public aid and place them on regular employment. It is designed to remove from relief all employable persons. Those hired by the Civil Works Administration will benefit by an immediate increase in income over their former relief allowances.

The projects on which the workers will be used will include not only the type on which work relief is now being given, but also a wide range of employment in activities bordering on but not covered in the province of the Public Works Administration. I suppose the easiest example you can use, and that is the cleaning up of a city park, that kind of work that the Public Works Administrator cannot quite stretch his authority to cover.

This expanded field will enable the local Civil Works Divisions to undertake considerably more construction and to use greater quantities of construction materials. Work relief has been limited almost entirely to work involving a minimum of materials, since expenditure of emergency relief funds under this method was necessarily confined to relief allowances in the form of work-relief wages.

Approximately 3,000,000 families are now being cared for throughout the country by public relief administrations financed in whole or part by Federal emergency relief funds.

Approximately 2,000,000 adult members of these families are earning relief in the form of wages for part-time employment on made-work projects. The total amount earned by the members of any one family is less than $20 a month in most of the localities.

By this one stroke at least two-thirds of the families in the country now receiving relief will be placed on a self-sustaining basis.

Then, in connection with that, we got a very interesting report yesterday which gives some very simple figures as to what has been accomplished since last April. In April there were 4,500,000 families on relief. That has been almost steadily cut down, week after week, and it has been cut from four and a half million to three million. In other words, we have removed one and one half million families from the relief rolls. During the month of September, of course we are always behind in these figures since it takes so long to get them in from the counties -- during the month of September alone 250,000 families were taken off the relief rolls and they represent slightly over one million people.

Q Mr. President, that is all relief rolls, both state and Federal?

THE PRESIDENT: Yes, state, Federal, county, municipal, etc.

And yesterday, at the Council meeting, the Secretary of Labor reported that -- and for the long-faced gentry throughout the country this will come as a terrible shock -- reports that a survey of industrial disputes, made on a basis of comparisons with the last previous comparable period, 1921, when we were beginning to snap back out of the post-war depression, shows that in the six summer months of 1921 there were 1453 strikes and lock-outs, and in 1933 there were 900. In the 1921 period 895,000 employees were involved in those strikes and lock-outs. In the same period this year 584,000 were involved. The Secretary of Labor said that this indicates, of course, that there is no need for the public to become in the least bit alarmed over present disputes. On the basis of man hours, the number of actual working hours involved, the comparison is even more favorable because, of course, in 1921 the average day's work was a great deal higher than it is today.

The Interpreting Economist -- there is nothing new in these sheets compared to the previous week -- shows a rise in farm prices during the week ended October 25 from about 50 to 52, and it shows a rise in the prices paid by farmers from -- wait a minute, it is a very slight rise, less than 1% -- you can just barely see the curve go up a little. Retail food prices during the summer period have not gone up at all. As a matter of fact, they have gone down a fraction of 1%. On the big chart of the wholesale markets, all commodities show a rise of less than 1%. They all show a very, very slight rise, except hides and leather which, you will remember, had taken a bigger jump upwards than any other commodities.

Q Mr. President, how long are these people going to be employed, for how long a period?

THE PRESIDENT: This particular employment is intended to last through the worst part of the Winter, until what we hope will be the normal, seasonal Spring pickup; in other words, through February. The normal Spring pickup generally comes along about that time, at the end of February or the beginning of March. This will tide over the worst of the Winter period.

Q Mr. President, it will end in the Spring?

THE PRESIDENT: Well, it won't -- it won't end of necessity in the Spring. We expect and hope to get some more appropriations out of Congress. It will have to be cut down, undoubtedly, in the Spring.

Q Mr. President, Pittsburgh elected, I think it was a Democratic Mayor out there. They are very anxious for some comment from you.

THE PRESIDENT: What did Oshkosh do? (Laughter)

Q I don't know; they all seem to be kicking them out. (Laughter)

Q Bridgeport, Connecticut, elected a Socialist. (Laughter)

Q Did anyone ask about New York?

THE PRESIDENT: No; I think no comment on elections - obviously.

Q On this forty-day limit of Civil Service; did you talk on it?

THE PRESIDENT: Yes.

Q I believe they are making a statement today.

THE PRESIDENT: I think they are making a statement today for you.

Q Do you happen to know what it is; can you make some comment?

THE PRESIDENT: I have a sneaking suspicion of what it is going to be.

Q It has been given out, I think.

Q Mr. President, there has been a report that you have under consideration a bill with respect to the economy cuts of the disabled veterans -- that is, to increase their allowance from 90 to 100 maximum.

THE PRESIDENT: Only that we are still studying it. We have not come to any definite determination on it yet. It is a little premature. We haven't come to any decision.

Q Can you tell us anything about the delegations in Montevideo?

THE PRESIDENT: Hasn't that been given out?

MR. EARLY: It will be given out late today.

THE PRESIDENT: It is going to be given out late today. I think the only possible change, and that has not been decided on definitely, is whether we can spare Caffery to go down there at this time. This is for background. As you all know, the original plan away back last Summer was that Sumner Welles would come back and go down to Montevideo, and that Caffery would take the place of Sumner Welles in Cuba. Of course, that arrangement had to be thrown overboard and Welles is staying in Cuba and it is possible that Caffery will stay here.

Q Can you give us any background on the conference with Litvinoff?

THE PRESIDENT: No, except that they are coming to lunch. As you all know -- and this is for background -- on anything of that kind, both sides arrange three or four hundred pages of material of all sorts, details and figures, and then they start to go through this large volume of things and they use the process of elimination. The first part of it is rather mechanical, it is rather a mechanical procedure, keeping in very close touch, personally, at all times. Of course, there is no use sitting in when going into the details and figures. Litvinoff is coming to lunch, and I will probably have a talk with him after lunch and see him again, probably tomorrow evening.

Q Anything done about the liquor reports?

THE PRESIDENT: There (indicating) is a part of it. But that is only one section. It has not even been opened. We are having a meeting Thursday or Friday.

Q What will that take up, Mr. President?

THE PRESIDENT: It will take up all the various liquor reports.

Q Who will be at that meeting?

THE PRESIDENT: The State Department will be represented, the

Department of Agriculture, the Attorney General, the Department of Commerce; I think that is all.

Q Treasury -- Tariff?

THE PRESIDENT: Treasury.

Q That will be to consider this prohibition situation entirely?

THE PRESIDENT: Yes, the whole thing, including grain alcohol and black strap molasses.

Q How about gin? (Laughter)

Q Did you find your conversation with Litvinoff satisfactory? Do you contemplate appointing an Ambassador right away?

THE PRESIDENT: That is too much of an "if" question.

Q Did the figures you referred to, were they the same that Miss Perkins gave out about a week ago?

THE PRESIDENT: I don't know; she brought them in to the meeting.

Q The Annalist, in commenting, said that the figures of the Labor Department, while they are correct, failed to show that the strikes were rapidly rising in number in 1933, during the last three months, while they were decreasing in 1921 and that the number in 1933, during the last few months, was really larger than the number in 1921.

THE PRESIDENT: Well, let's give the other side in order to make it fair. That statement of the Annalist may be perfectly true but, on the other hand, this year there were a great many strikes that were called for what might be called "test purposes", in order to get an immediate entrance of the National Labor Board into the situation. They were what might almost be called "friendly strikes". To give you an example, the strike way back, two months ago, by one of the garment unions in New York City. That strike, you might almost say, was called by agreement between the decent employers and the Union in order to lay down certain rules and create an agreement to eliminate the sweatshop conditions in New York City.

Now, I suppose that the Annalist might figure that that was a very, very large strike affecting 40,000 people. I don't know that the word "strike" really applies to that kind of a cessation of work. It is done with a distinct objective, agreed to by the employers and the employees. Is it a strike? I raise that question.

Then there is another thing which must be remembered always. In periods of rising prosperity and greater employment you always have an increase in the number of strikes for the very obvious human reason that an individual who is employed doesn't strike if he can possibly help it when unemployment is rising because if he strikes and it doesn't work he has no chance to get a job and he is thinking about the food for the family the next day. Therefore it is a pretty encouraging thing to see people who have the guts to stand up for their own rights and it means that they feel that they can get employment somewhere else if they are thrown out.

MR. STEPHENSON: Much obliged, Mr. President.

CONFIDENTIAL
Press Conference #68
Executive Offices of the White House

November 10, 1933, 4.10 P.M.

(The Secretary of the Interior was present at this conference.)

THE PRESIDENT: You will remember a number of weeks ago, in fact a couple of months ago, I talked about the study we are making in regard to postoffice buildings all over the United States, particularly for towns which did not do a great amount of business. We have finally come through not only with a definite policy but also with a definite allocation of money, and a definite decision as to the locations of these postoffices.

The policy is to allot public works funds for the construction of needed postoffices of a sensible utilitarian character instead of the monumental edifices which have been built in past years. The application of this rule of reason by the Federal Emergency Administration of Public Works has made possible a justification for a number of new postoffice structures at a greatly reduced cost, structures which will serve all the requirements of the communities affected and also give them the benefits of wider employment during construction. In place of the characteristic elaborately ornamented structures of stone which are frequently produced as new postoffices, more modest and more fitting buildings which will save the government literally millions of dollars are going to be built. The Supervising Architect of the Treasury has completed an extensive study of this type of structure in many towns and cities and reports that this type of structure is both advisable and practical.

Without sacrifice of space or working conditions, the new type of structure will provide the government with the facilities required to give good postal service.

Suitable sites will be selected in localities picked with a view to improving the service. These sites will not necessarily be the most prominent and expensive corners but will suit the convenience of both postoffice workers and users.

Realizing the changes recent years have made in the use of the postoffices and that in sizable communities the postoffice no longer serves as the town meeting place (laughter) and citizens rely on delivery service, special attention will be given to delivery facilities in connection with the new structures.

Local materials of a suitable nature will be used wherever feasible in the buildings instead of expensive stones transported a long distance.

Sites will be secured by the Government in the regular manner and the postoffice contracts and construction will be supervised as heretofore.

The sites and the allocations of money will be announced by the Interior Department but the Secretary of Interior tells me that there are about 180. Is that right?

MR. ICKES: About that in this list.

THE PRESIDENT: The actual saving of money because of this change of type will be about 51 per cent.

Q What is that based on?

THE PRESIDENT: Fifty-one per cent over the existing methods of building postoffices. They will be less than half the cost of the previous type of postoffices the government has been putting up.

Q How does it compare with the present cost of operating postoffices in those towns? Is there a saving?

THE PRESIDENT: In almost every one of those 180 cases the cost of operation -- the new facilities will be justified because of the much lower overhead.

Q What size towns?

THE PRESIDENT: There are three types.

SECRETARY ICKES: There are three types, 5000, 10,000 and 15,000 to 20,000.

Q About how much money is involved?

SECRETARY ICKES: I don't know; that will be part of the release.

THE PRESIDENT: You had better get that from the Department of the Interior.

MR. EARLY: Everything will be available at the Interior Department.

THE PRESIDENT: When do you start?

SECRETARY ICKES: Start right away.

Q What happens in the cases where the architects have been appointed and the plans drawn?

SECRETARY ICKES: Most of those plans can be adapted. Practically no change in floor space or space arrangement.

Q The cities have been picked?

SECRETARY ICKES: The towns have been picked, yes. You can get the names of the towns and the amount for each town.

THE PRESIDENT: And they were, as I remember, in almost every case, towns which already had the approval of Congress.

Q The dispatches from Moscow this afternoon state that the terms of the recognition agreement have reached there and have been given to Soviet leaders for information. The White House statements have not indicated that discussion had reached that far.

THE PRESIDENT: I think the White House statement is the correct one.

Q Mr. Litvinov is coming in tonight for a friendly discussion, is he not?

THE PRESIDENT: I don't think there will be any news. I think it will be the usual communique to the effect that we are making progress. I can almost tell you in advance that the communique will report progress.

Q How much? (Laughter)

Q You say there will be on coming out tonight?

THE PRESIDENT: I don't think it is necessary because it is a personal talk between Mr. Litvinov and myself. I think it will save everybody's time -- I know and he knows that there won't be anything coming out so why not let it go at that.

Q Will you talk alone?

THE PRESIDENT: I think so.

Q Will Secretary Hull be there?

THE PRESIDENT: I don't think so. He is sailing tomorrow morning. Of course we may ask people to come in with figures and things like that.

Q It is beginning to look as though there won't be recognition before next week.

THE PRESIDENT: Well? (Laughter)

Q Will there be recognition?

THE PRESIDENT: I think you had better put it this way, that some of the stories written were premature.

Q In connection with postoffices, Postmaster General Farley does not seem to be very well informed on local matters. (Laughter) We have depended on him for the nominations in the District of Columbia. May we ask the President to give us some definite information on that subject?

THE PRESIDENT: Jim said to me this morning, "Some day we ought really to get together and talk about the District of Columbia." (Laughter)

Q Is there any plan afoot whereby the R.F.C. would purchase silver?

THE PRESIDENT: Not that I know of; I haven't heard anything about it at all.

Q Any new plans on the monetary program at all?

(The President did not answer)

Q Anything about the sharp drop in the price of Government Bonds?

THE PRESIDENT: No, I don't think it is necessary to say anything except that, as background, you can use my general theory that Government Bonds are pretty darn good.

Q Mr. President, I understand that Mr. Hopkins, the Relief Administrator, has his relief program pretty well whipped in shape and I was wondering if he isn't going to put in his first order for coal fairly soon on the coal purchasing program?

THE PRESIDENT: I don't know.

Q I heard a report that it will be on Monday?

THE PRESIDENT: I have not talked to him about coal except to turn over to him the gentlemen who came down from the anthracite region.

Q Anything on that yet?

THE PRESIDENT: I sent them over to see him and to talk with him about it.

Q Can you discuss Cuba with me this afternoon?

THE PRESIDENT: No; we have nothing except what you saw in the press dispatches. There isn't any other news.

Q They are having a hot time, you know.

Q Do you care to discuss the liquor program, the details of it?

THE PRESIDENT: Nothing much. We talked yesterday about what might be called the three periods. The first is the period between now and the formal action on repeal, which we assume will be December 5 or 6, and it was generally agreed that during this period between now and December 5 or 6 we should, in order to prevent a cornering or unfair prices and inordinate profits to the bootlegging fraternity, allow a normal average amount, a total amount of liquor to come in. That was put up to Dr. Doran and, as I remember it, his statement was that the average amount would be somewhere around 250,000 gallons in the month, that being divided up again, according to the average, between different types of wines and different types of distilled spirits.

Then we came to the question of whether, from the period between December 5 and any action by the Congress, the medicinal quota applied and I think, as I remember it, the Attorney General held that it did not apply.

Now, you had better check on this because my memory might not be right but my general impression was that on December 5 or 6 the old tariff goes into effect and the medicinal quota goes out. Now, of course the old tariff schedules that do go into effect -- I suppose you can get this from the Treasury Department -- are pretty high. For instance, in the case of distilled spirits it is about five dollars plus about a dollar and twenty cents excise tax, which makes a total of about $6.10.

Q That is proof gallons. It means about $2.70?

THE PRESIDENT: That is before it is rectified.

Q How about the third period?

THE PRESIDENT: And then, in regard to the third period, we are still discussing it. One of the things that is being discussed is whether through the use of the N.R.A. and the **AAA** Code Authority we could immediately, after the fifth of December and until Congress acted on it or failed to act on it, either one, put into effect some form of licensing, especially in the case of distilled spirits.

Q Would that indicate, sir, that there has been an agreement reached with distillers?

THE PRESIDENT: No; it is all in the very, very preliminary stage of discussion.

Q None of that has been discussed?

THE PRESIDENT: No, none of it discussed at all. Merely a question of working out a policy.

Q To return to the Russian question --

Q Let us finish Prohibition, if you don't mind. (Laughter) How about new taxes on Prohibition?

THE PRESIDENT: Haven't even been discussed here at all.

Q Have you discussed the question of repealing existing taxes under the last tax bill?

THE PRESIDENT: No, we haven't got to taxes at all. That will be a matter for Congress to act on. What we are working on now is the next 28 days and then the period between

December 5 and action bythe Congress.

Q Do you think you can license dealers under the AAA?

THE PRESIDENT: Yes, some form of licensing would be possible.

Q That would prevent wild-catters getting into the business?

THE PRESIDENT: It would also be directed toward the prevention of over-importation and it might also prevent just dumping the whole thing in the lap of Congress and praying to Heaven that something will come out. In other words, with a Government policy in existence, they have something to take as a basis and then decide any way they wanted to. At least they would have a basis to work on.

Q What about the smuggling of liquor?

THE PRESIDENT: Yes, the Treasury Department is standing absolutely ready to continue its coast guard and international boundary operations to keep smuggled liquor out.

Q Wasn't there an alternative plan for AAAA control?

THE PRESIDENT: There were over a half dozen alternative plans. They all fell under some form of AAA or N.R.A. control.

Q How about a corporation?

THE PRESIDENT: That would fall under it too. It is still in perfectly vague stage.

Q Are you going to meet with them pretty soon to go further into the situation?

THE PRESIDENT: Yes, I think probably somewhere around Tuesday or Wednesday of next week.

Q Attorney General Cummings yesterday mentioned some sort of possible restrictionswhich were just generally spoken of as a curb on imports -- a permanent curb on imports. Have you any ideas on that that you might give us?

THE PRESIDENT: I don't know what that is.

Q It is limitations on imports, generally.

THE PRESIDENT: Whatever is done would be done through the code method.

Q Have you reached a conclusion as to how high the tax can be made without encouraging bootlegging?

THE PRESIDENT: I haven't done anything except look at columns of figures as to what the tax will be on December 5.

Q That would be interesting.

THE PRESIDENT: I cannot quote it from memory and haven't the figures here. I see no reason why that should not be announced by the Internal Revenue people or by the Customs people.

Q That is the existing law?

Q That is what it is for the time being but there has been a pretty general sentiment that a permanent tax of three dollars or more would rather encourage than discourage the bootlegging fraternity. Is there anything you can say on that?

THE PRESIDENT: We haven't got as far as that. The only thing we are trying to discover is what does go into effect on the fifth of December.

Q Has anyone advanced a report in connection with the consideration of tariff? I believe that in all discussions they would have to have a report here and there has been none since Prohibition, unless they have some figures on the importations of the bootleggers.

THE PRESIDENT: You are over my head.

Q I am over my own head too. What I was trying to say was that in enquiring about tariff proposals recently I was told that there could not be any definite proposition made until they had reached an opinion based on representative years.

THE PRESIDENT: Well, I think I can answer that question by saying that somebody yesterday, I have forgotten who it was, said they had checked up on the average 1909 to 1914 period. Does that answer the question?

Q Was that the only period they had used?

THE PRESIDENT: I know that was the period they were using.

Q Is it your intention to proclaim the repeal of the Eighteenth Amendment on the date of its repeal or until January 1?

THE PRESIDENT: I think that goes through the regular form in the Secretary of State's office.

Q Because of the tax law appended to the N.R.A. bill that proposed a five per cent tax on dividends withheld at the source, you have to proclaim the Amendment repealed in order to get these taxes repealed, do you not?

THE PRESIDENT: I will undoubtedly have to proclaim it.

Q There is agitation for abolishing capital punishment in the District of Columbia. I would like to know your views on the subject.

THE PRESIDENT: That was asked me when I was Governor of the State of New York for four years. Probably the easiest way of putting it is that it is a legislative matter. My own personal belief is that I would like to see capital punishment abolished throughout this country but, on the other hand, every law enforcement officer with whom I have ever spoken -- *not* every one but the overwhelming majority of them/believe that capital punishment is a definite and distinct deterrent of murder. It is, primarily, a legislative matter.

I am in the unfortunate position here, as I was in Albany, of having to pass on the question of the death penalty; it is the most disagreeable function that a governor or the President has to perform.

I think that covers the whole thing in as few words as possible.

Q If Stevie (Francis Stephenson) has enough liquor, may I return to Russia?

Q (Mr. Stephenson) Help yourself.

Q I wonder if, after the discussion tonight, discussions will be resumed at the State Department or here?

THE PRESIDENT: I don't know.

Q Nothing definite?

THE PRESIDENT: It is just pure guesswork on my part but I suppose the natural thing will be the State Department.

Q From something you said, are we to understand that on December 5 or 6 or shortly after you will wipe out all of the taxes voted by the last Congress?

THE PRESIDENT: What do we do?

Q It is automatic under the law.

THE PRESIDENT: I guess I had better send for Homer Cummings (laughter).

Q There isn't any question of those taxes, where they are being -- (interrupted)

THE PRESIDENT: This is the first time I had heard about it.

Q When you asked for this increased taxation to meet the expenditures on public works, you asked that they be applied until Prohibition is repealed. And, under the law which Congress passed, those taxes are repealed when you proclaim the repeal of the Eighteenth Amendment?

THE PRESIDENT: Now I know, yes. I would have to look up the language of the act. It would give me discretion to defer?

Q It did not say anything about discretion. It said that whenever the President shall proclaim repeal, these taxes are automatically repealed as of certain dates.

THE PRESIDENT: I will have to give you an absolutely horseback opinion on it. In good faith I suppose I would have to proclaim the repeal. Now, the time I would proclaim the repeal would normally be when the Secretary of State is notified by the 36th State and as soon as he is notified by the 36th State then, normally, I would issue the proclamation.

Q The argument has been made that you could forget about it until after the first of January and then the taxes would remain in effect another year.

THE PRESIDENT: I don't think that would be good faith.

Q When do you expect Ambassador Welles to come back?

THE PRESIDENT: How old is Anne? (Laughter)

Q I don't know.

(The Press Conference adjourned at 4.30 P.M.)

CONFIDENTIAL
Press Conference #69
Executive Offices of the White House
November 15, 1933, 10.57 AM

Q Is anything going to be done on the Conrad Mann pardon case today?

THE PRESIDENT: I don't know; it is still under advisement.

The story on hoarding was given out, was it not?

Q Yes, sir.

Q Is it understood that we cannot leave here until the conference is over?

THE PRESIDENT: Absolutely.

The reason I am late is because I have been over at the White House talking to Litvinov. If I were asked to write a story on it, I could not write one except to tell you what is the truth, that we are proceeding normally.

Q As a result of the conference with Litvinov this morning, could it be said that recognition will be reached by Friday?

THE PRESIDENT: I would not say "recognition". Heavens above! Read the letter to Mr. Kalinin. I haven't the exact language but it said that there were many questions, the solution of which would help to reestablish normal relations. That is approximately the wording of it. I think the only thing you can say is that the thing is getting along normally. I would hate to limit myself to Friday or Monday or any day. I think you could express the thought that if something is signed, sealed and delivered by Friday that does not, by any means, mean a breakdown of conversations or anything else.

Q Did you invite him to go to Warm Springs?

THE PRESIDENT: Of course I would be delighted if he would come down there but I do not know. I do not think you can say that he has been invited to Warm Springs because we don't know what will happen by Friday.

Q Do you expect something to happen by Friday?

THE PRESIDENT: I don't know. Things are proceeding normally. We haven't got beyond that.

Q We were under the impression that you rather hoped that it would be over by Friday.

THE PRESIDENT: Yes, I still hope. Hope springs eternal.

Q Can you tell us what you talked about this morning with Litvinov?

THE PRESIDENT: It would take six columns.

Q Fine. (Laughter)

Q The fact that they are proceeding normally means that they will continue?

THE PRESIDENT: Oh, yes. Absolutely nothing that would suggest a breakdown or things like that. Things are proceeding in a normal way and I think we have made progress, very definite progress.

Q You are still making progress?

THE PRESIDENT: Very distinct progress.

Q Do you contemplate any change in your gold purchase policy?

THE PRESIDENT: No.

Q Contemplate any moves in that connection?

THE PRESIDENT: Following a perfectly consistent policy. I will come to that a little later. I will show charts that are interesting.

In the meantime, Steve suggests that nobody leave because they are having copies made of this thing. I think the easiest way is to read the letters: One was from Will Woodin to me of October 31st. (Reading)

"My dear Governor:

"It is so cheering to hear your voice over the telephone, that I always feel better after talking to you.

"Last August, after a severe illness, I took up with you the question as to whether on account of my health I should relinquish the position I now hold in your Cabinet. You suggested that I try remaining away from my desk for a few weeks and, as far as possible, forget the Treasury, in order to give my system a chance for full recovery.

"Unfortunately, I am not exactly built that way, and it has been impossible for me, on account of the great responsibility I feel, to refrain from being almost as active in the affairs of the Department when away as when I was actually at my desk. I have tried faithfully to carry out your suggestion but it has been a failure, as evidenced by the relapse which I have just suffered. Therefore, I feel that I must tender my resignation and seek complete rest and a change of climate. My physicians have told me that unless I do this, they will not be responsible for the outcome.

"I cannot express the intense regret I feel in writing you this letter. I have been so happy in serving you, and if I could only continue I would be the most grateful of all people. You will know that every policy of yours has had and still has my devoted support, and I have never doubted that you are the one man that can lead this country out of its difficulties.

"Faithfully yours,

"WILLIAM H. WOODIN"

To which I replied on November 2nd,

"Dear Will:

"I do not need to tell you that I am deeply grieved at the thought of your not continuing, but, at the same time, as I have told you, I would not for anything in the world injure your health by any insistence on my part that you carry on the impossible task of running the Treasury Department and simultaneously giving full obedience to the doctor's orders.

"The first consideration is your complete recuperation and this can only be accomplished by giving up all work for the next few months. If you will do this, it is not only my hope but also my sincere belief that in a few months you will be able once more to give to the Government the fine, unselfish service which all of us in Washington have so greatly appreciated. We need you back again, and the country needs you back again.

"For this reason, I am going to ask you to withhold your resignation; to take a complete leave of absence and to do all you can to get full health and strength, without any responsibility or thought of work.

"I hope that you will do this for me because of my own personal affectionate regard for you and because of the very great services which you have given to our country during a critical period of our history. While you are away I can well appoint someone with government and financial experience to be Acting Secretary.

"Very sincerely yours,"

Well, those two speak for themselves. So the Secretary of the Treasury has gone along in a fine way with my thought and he is not resigning but remains Secretary of the Treasury and is going on a leave of absence and is leaving on Saturday from Washington. He is going out, I think, to Arizona because the doctors are perfectly convinced that he has to complete his separation from anything having to do with telephones or conversations. One of the things that have brought these relapses is the fact, as you probably know, that he has been on the telephone about twenty times a day and he also felt it was incumbent upon him to see Tom and Dick and Harry even when in bed with a terrible throat and a high temperature.

So he is going out to Arizona; he is going to cut completely loose from telephones and seeing people, and the doctors are sure he is going to get in shape in a few months. He is going out on complete leave of absence.

I suppose you will see him today. Will was very anxious to make it perfectly clear that he is not expecting any remuneration from the Government (laughter) while he is away. In other words, he is going out on leave of absence without pay.

Also, yesterday afternoon he had a very nice talk with Dean Acheson -- of course this, I think, we had better make off the record but, for your information, Dean is a fine boy; he has done awfully good work but, of course, he has not had the kind of experience in both government and finance which I really should have during the next few months. So he is retiring with the affectionate regards of all of us and Henry Morgenthau, Jr. becomes Under Secretary of the Treasury and Acting Secretary during the next few months while Woodin is away.

Q Mr. Acheson remaining as Assistant Secretary?

THE PRESIDENT: No.

Q He is leaving Government service?

THE PRESIDENT: Yes.

Q Is it off the record that Morgenthau will be Acting Secretary?

THE PRESIDENT: You can print that, but there are two things there and I would not want people confused. I have read Woodin's letter to me and mine to him, representing the actual, true facts. It is not a case of resigning because he wants to. That is about the last thing in the world he wants to do.

Q When does this go into effect?

THE PRESIDENT: Saturday.

Q Mr. Morgenthau will become Acting Secretary of the Treasury then?

THE PRESIDENT: Yes.

Q Does Acheson leave the employ of the Government entirely? Is it a complete severance?

THE PRESIDENT: Yes.

Q As of what date?

THE PRESIDENT: Friday afternoon or Saturday.

Q Everything is clear on Acheson leaving and Morgenthau succeeding as Acting Secretary? That is not off the record?

THE PRESIDENT: No.

Q No change in the status of Dr. Sprague? Any change in his status?

THE PRESIDENT: What about it?

Q Any change in his status?

THE PRESIDENT: Not that I know of. Has anything happened? (Laughter) You frighten a fellow. I did not know what had happened. (Laughter)

Q Have you selected Mr. Morgenthau's successor?

THE PRESIDENT: I have not got to that yet. Of course he cannot run both the Treasury Department and the FCA during the next few months. Somebody will have to go into the Farm Credit Administration.

Q Are you going to appoint the District Attorney before you leave?

THE PRESIDENT: Do you know something, I tried to hold that news until this morning so you could ask the question about the Commissioners, but, unfortunately, Jim Farley slipped on the thing yesterday morning and I just had to spring it. I had it all set for you this morning and it is all Jim Farley's fault.

Q Anything about liquor?

THE PRESIDENT: We are having another conference today, right away. They are waiting outside.

Q Can you tell us about what Norman Davis reported to you?

THE PRESIDENT: What you read in the papers.

Q Nothing more than that?

THE PRESIDENT: No. (Laughter)

Q Are there any other conferences scheduled with Litvinov, any appointments?

THE PRESIDENT: No, we have not been making any appointments ahead. For instance, this morning, it was the result of conversations he had had with various people last night. He might come in at any time.

Q Shall we have another press conference before you leave?

THE PRESIDENT: What time do I leave?

MR. McINTYRE: Six or seven o'clock on Friday.

THE PRESIDENT: I don't know, I really don't know.

Q Can you tell us with whom Litvinov talked last night?

THE PRESIDENT: No.

Q Are we going to get a United States Attorney in New York before you leave on Friday?

THE PRESIDENT: Do you hear what he is asking about? He is asking about the District Attorney in New York. (Laughter) I don't know. I think we did pretty well for this week. Blame Jim.

Q Can you tell us anything about your visit with Governor Smith?

THE PRESIDENT: Only what he told you. He told the truth and nothing but the truth.

Q Can you tell us for background whether this conference this morning was the result of anything he received from Moscow?

THE PRESIDENT: Not that I know of.

Q Let's go.

THE PRESIDENT: Wait one-half second. I have three charts I wanted to show you. This is just economics, that is all. Steve can take these out and if anybody is interested in the charts on commodity prices, gold, silver, et cetera, they can look them over.

Q What is your opinion of them?

THE PRESIDENT: Very nicely done. (Laughter)

Q You mean good drawing. (Laughter)

(The Press Conference adjourned
at 11.10 AM)

CONFIDENTIAL
Press Conference #70
Executive Offices of the White House
November 17, 1933, 3.50 PM

MR. DONALDSON: All in, Mr. President.

THE PRESIDENT: Close the door and lock it. (Laughter)

We have with us today a resolution adopted by the American Iron and Steel Institute. (Reading) "Resolved, that the report of the Directors ..... on the operation of the Code of Fair Competition ..... during the 90-day trial period ..... is hereby approved and the Secretary is directed to sign and promptly forward the report to the Administrator. Further resolved, that in approving the report ..... this Board expresses and records its general satisfaction with the operations of the Code and its effects on the industry and requests that the so-called trial period be extended to May 31, 1934, to the end that sufficient time may be given ..... to effectuate the purposes of Title I of NRA."

That is a very important matter, a matter of news, I think, because it does show that one of the larger industries is approving the results of the Code during the trial period of ninety days. I might add that we have had similar, though not such formal expressions, from the textile industry, the lumber industry, and quite a number of others, asking in every case that the trial period be extended.

Last night, just before the magic hour of midnight, the United States agreed to the resumption of normal relations with Russia. You will find, when you go out, a large and voluminous document -- a great many pages -- and I am going to do something very mean -- I am going to ask you to read it before you write your stories.

You will see, perhaps, why it has taken some time to conclude these conversations with Mr. Litvinov. If you divide these letters -- these letters constitute an exchange between Mr. Litvinov and myself and cover the principal points which the two governments wish to discuss and reach an accord on before the formal resumption of diplomatic relations and other relations. They relate to four or five very important topics.

The reason I am asking you to read them -- they are not very long, a good many pages but not so formidable as it looks -- is that I am not going to comment officially or personally on the record in regard to these negotiations. I think the results speak for themselves.

Mr. Litvinov, as you will see, is to remain here a little while longer to discuss certain phases of the conversations.

The big factor is, of course, that we have resumed relations.

The first page is an exchange of letters between the two of us saying -- in fact, my letter to Mr. Litvinov says, "I am very happy to inform you that as a result of our conversations, the Government of the United States has decided to establish normal diplomatic relations with the Government of Union Soviet Republics and to exchange Ambassadors", and "I trust the relations established between our peoples may forever remain normal and friendly."

To that, Mr. Litvinov replies in almost identical language.

The second page of the release is a letter to me from Mr. Litvinov relating to what has been popularly called, in this country, "propaganda". I think it says, "I have the honor to inform you that coincident with the establishment of diplomatic relations between our two governments, it will be the fixed policy of the Government of the Union of Soviet Socialist Republics", and then there are four paragraphs stating that fixed policy. To which I reply, "I am glad to have received the assurances expressed in your note to me of this date that it will be the fixed policy of Russia," and then, after quoting his four paragraphs, I say that it will be the fixed policy of the Executive of the United States, within the limits of the powers conferred by the Constitution and the Laws of the United States to adhere reciprocally to the engagements above expressed.

The next exchange of letters starts the other way. I write to Mr. Litvinov in regard to what you and I would call the "freedom of religion." I will read this to you because I think it is an important thing. It sets forth what might be called the American position. (Reading)

"The White House,
Washington, November 16, 1933.

"My dear Mr. Litvinov:

"As I have told you in our recent conversations, it is my expectation that after the establishment of normal relations between our two countries many Americans will wish to reside temporarily or permanently within the territory of the Union of Soviet Socialist Republics, and I am deeply concerned that they should enjoy in all respects the same freedom of conscience and religious liberty which they enjoy at home.

"As you well know, the Government of the United States, since the foundation of the Republic, has always striven to protect its nationals, at home and abroad, in the free exercise of liberty of conscience and religious worship, and from all disability or persecution on account of their religious faith or worship. And I need scarcely point out that the rights emmerated below are those enjoyed in the United States by all citizens and foreign nationals and by American nationals in all the major countries of the world.

"The Government of the United States, therefore, will expect that nationals of the United States of America within the territory of the Union of Soviet Socialist Republics will be allowed to conduct without annoyance or molestation of any kind religious services and rites of a ceremonial nature, including baptismal, confirmation, communion, marriage and burial rites, in the English language, or in any other language which is customarily used in the practice of the religious faith to which they belong, in churches, houses, or other buildings appropriate for such service, which they will be given the right and opportunity to lease, erect or maintain in convenient situations.

"We will expect that nationals of the United States will have the right to collect from their co-religionists and to receive from abroad voluntary offerings for religious purposes; that they will be entitled without restriction to impart religious instruction to their children, either singly or in groups, or to have such instruction imparted by persons whom they may employ for such purpose; that they will be given and protected in the right to bury their dead according to their religious customs in suitable and convenient places established for that purpose, and given the right and opportunity to lease, lay out, occupy and maintain such burial grounds subject to reasonable sanitary laws and regulations.

"We will expect that religious groups or congregations composed of nationals of the United States of America in the territory of the Union of Soviet Socialist Republics will be given the right to have their spiritual needs ministered to by clergymen, priests, rabbis or other ecclesiastical functionaries who are nationals of the

> United States of America, and that such clergymen, priests, rabbis or other ecclesiastical functionaries will be protected from all disability or persecution and will not be denied entry into the territory of the Soviet Union because of their ecclesiastical status."

Mr. Litvinov replied:

> "Washington
> November 16, 1933.
>
> "My dear Mr. President:
>
> "In reply to your letter of November 16, 1933, I have the honor to inform you that the Government of the Union of Soviet Socialist Republics as a fixed policy accords the nationals of the United States within the territory of the Union of Soviet Socialist Republics the following rights referred to by you:

And then he goes on to quote these various rights which I have asked and at the bottom he refers to certain decrees and laws of Russia and of the several states of Russia and, toward the end, there is one point which was not covered by any of their laws.

> "Furthermore, the Soviet Government is prepared to include in a consular convention to be negotiated immediately following the establishment of relations between our two countries provisions in which nationals of the United States shall be granted rights with reference to freedom of conscience and the free exercise of religion which shall not be less favorable than those enjoyed in the Union of Soviet Socialist Republics by nationals of the nation most favored in this respect. In this connection, I have the honor to call to your attention Article 9 of the Treaty between Germany and the Union of Soviet Socialist Republics, signed at Moscow October 12, 1925, which reads as follows:

> "Nationals of each of the Contracting Parties . . . shall be entitled to hold religious services in churches, houses or other buildings, rented, according to the laws of the country, in their national language or in any other language which is customary in their religion. They shall be entitled to buy their dead in accordance with their religious practice in burial-grounds established and maintained by them with the approval of the competent authorities, so long as they comply with the police regulations of the other Party in respect of buildings and public health.

"Furthermore, I desire to state that the rights specified in the above paragraphs will be granted to American nationals immediately upon the establishment of relations between our two countries.

"Finally, I have the honor to inform you that the Government of the Union of Soviet Socialist Republics, while reserving to itself the right of refusing visas to Americans desiring to enter the Union of Soviet Socialist Republics on personal grounds, does not intend to base such refusals on the fact of such persons having an ecclesiastical status."

In other words, they cannot keep anybody out just because he happens to be a priest, minister or rabbi. Of course, if he is a murderer besides being a priest, it is quite a different thing. It sounds quite logical.

And then, the next exchange relates to legal protection. It is a letter from Mr. Litvinov to me. (Reading)

"Washington, November 16, 1933.

"My Dear Mr. President:

"Following our conversations I have the honor to inform you that the Soviet Government is prepared

> to include in a consular convention to be negotiated immediately following the establishment of relations between our two countries provisions in which nationals of the United States shall be granted rights with reference to legal protection which shall not be less favorable than those enjoyed in the Union of Soviet Socialist Republics by nationals of the nation most favored in this respect. Furthermore, I desire to state that such rights will be granted to American nationals immediately upon the establishment of relations between our two countries.
>
> "In this connection I have the honor to call to your attention Article 11 and the Protocol to Article 11, of the Agreement Concerning Conditions of Residence and Business and Legal Protection in General concluded between Germany and the Union of Soviet Socialist Republics on October 12, 1925."

That is rather a special treaty under which or, rather, in accordance with which the United States gets absolutely the same rights as Germans do under their special treaty. I suppose the easiest way to express it is to tell you that the German Treaty goes a great deal further than the treaties with any other nation because it is very clear. Article 11 relates to guarantees by Russia of taking necessary measures to inform the Consul of the other party as soon as a national of the other party happens to get arrested in any part of the country, and that the Consul shall be notified either by a communication from the party arrested or by the authorities themselves within a given period of time. Also, in places of detention of all kinds, requests made by consular representatives to visit nationals of their country under arrest, or to have them visited by their representatives, shall be granted without delay, also that the consular representative shall not be entitled to require officials of the courts or prisons to withdraw during his interview with the person under arrest. That has to be that way because it conforms with the customary Russian practice of justice.

To that I reply, thanking him for his letter and confirming what might be called these offers made by Russia and that we will do the same thing over here in case we arrest any Russians.

Then comes a memorandum of a verbal explanation by Mr. Litvinov of the question by me in regard to prosecutions for economic espionage.

> "The widespread opinion that the dissemination of economic information from the Union of Soviet Socialist Republics is allowed only in so far as this information has been published in newspapers or magazines, is erroneous. The right to obtain economic information is limited in the Union of Soviet Socialist Republics, as in other countries, only in the case of business and production secrets and in the case of the employment of forbidden methods (bribery, theft, fraud, etc.) to obtain such information."

I think the thing explains itself. There is no use going on reading it but it is to clarify certain points on which a lot of people are in doubt.

Then comes a letter from Litvinov to me in regard to claims in which he states:

> "Following our conversations I have the honor to inform you that the Government of the Union of Soviet Socialist Republics agrees that, preparatory to a final settlement of the claims and counter claims between the Governments of the Union of Soviet Socialist Republics and the United States of America and the claims of their nationals, the Government of the Union of Soviet Socialist Republics will not take any steps to enforce any decisions of courts or initiate any new litigations for the amounts admitted to be due or that may be found to be due it, as the successor of prior Governments of Russia, or otherwise, from American nationals, including corporations, companies, partnerships, or associations, and also the claim against the United States of the Russian Volunteer Fleet, now in litigation in the United States Court of Claims, and will not object to such amounts being assigned and does hereby release and assign all such amounts to the Government of the United States, the Government of the Union of Soviet Socialist Republics to be duly notified in each case of any amount realized by the Government of the United States from such release and assignment.
>
> "The Government of the Union of Soviet Socialist Republics further agrees, preparatory to the settlement referred to above not to make any claim with respect to:
>
> > "(a) judgments rendered or that may be rendered by American courts in so far as they relate to property, or rights, or interests therein, in which the Union of Soviet Socialist Republics or its nationals may have had or may claim to have an interest;"

It is a general release of all those pending cases in our courts. That is what it amounts to.

> "(b) acts done or settlements made by or with the Government of the United States, or public officials in the United States, or its nationals, relating to property, credits, or obligations of any Government of Russia or nationals thereof."

To which I replied:

> "I am happy to acknowledge the receipt of your letter of November 16, 1933, in which you state that:"

And then I quote his letter and say further:

> "I am glad to have these undertakings by your Government and I shall be pleased to notify your Government in each case of any amount realized by the Government of the United States from the release and assignment to it of the amounts admitted to be due, or that may be found to be due, the Government of the Union of Soviet Socialist Republics, and of the amount that may be found to be due on the claim of the Russian Volunteer Fleet."

Then comes a letter from Litvinov to me relating to the expedition of the American Government in Siberia in 1918 to 1921:

> "I have the honor to inform you that following our conversations and following my examination of certain documents of the years 1918 to 1921 relating to the attitude of the American Government toward the expedition into Siberia, the operations there of foreign military forces and the inviolability of the territory of the Union of Soviet Socialist Republics, the Government of the

> Union of Soviet Socialist Republics agrees that it will waive any and all claims of whatsoever character arising out of activities of military forces of the United States in Siberia, or assistance to military forces in Siberia subsequent to January 1, 1918, and that such claims shall be regarded as finally settled and disposed of by this agreement."

Then there is a joint statement by Mr. Litvinov and myself,

> "In addition to the agreements which we have signed today, there has taken place an exchange of views with regard to methods of settling all outstanding questions of indebtedness and claims that permits us to hope for a speedy and satisfactory solution of these questions which both our Governments desire to have out of the way as soon as possible.
>
> "Mr. Litvinov will remain in Washington for several days for further discussions."

(Mr. Early spoke to the President)

THE PRESIDENT: The State Department calls my attention to a very serious error on the title page of this document. They have spelled Commissar with one "s" instead of two. So will you please correct it. (Laughter) I think you have everything.

Q Mr. President, does this exchange of letters mean automatic recognition or does that depend on an exchange of ambassadors?

THE PRESIDENT: Oh, my Lord; that is a technical question to which I don't know the answer. I should say, as a horseback opinion, that we resumed normal relations with Russia at ten minutes before midnight last night and that ambassadors will be exchanged as soon as convenient to both countries. But the relations were established last night at about ten minutes before midnight.

Q Mr. President, are the Archangel claims included in that Siberian agreement?

THE PRESIDENT: No, just Siberia.

Q Has the American Ambassador been selected?

THE PRESIDENT: Well, of course you will guess it if I do not tell you. I think that Mr. Bullitt, that we shall ask the Russian Government if the sending of Mr. Bullitt as Ambassador will be acceptable to them.

Q Can you tell us if the Russians have decided on their Ambassador?

THE PRESIDENT: No; nothing has been said about it at all.

Q Mr. President, getting away from the subject of Russia, do you contemplate changing the Coast Guard from the Treasury Department to the Navy Department?

THE PRESIDENT: I haven't any more idea than you have.

Q Mr. President, there are reports in Havana, published in the papers, that President Grau San Martin has asked for the recall of Ambassador Welles. Have you heard of anything?

THE PRESIDENT: Not a word and I have seen the State Department dispatches up to about ten minutes ago and there is nothing like that.

Q Any nominations coming out before you leave tonight?

THE PRESIDENT: I signed the commission of an Assistant Patent Commissioner about ten minutes ago.

Q Can you tell us anything about your next meeting with Ambassador Welles?

THE PRESIDENT: When he gets to Warm Springs. I do not know when he gets there; I think it is some time Sunday morning.

(The Press Conference adjourned at 4.10 P.M.)

CONFIDENTIAL
Press Conference #71
Warm Springs, Georgia

November 22, 1933, 10.40 A.M.

THE PRESIDENT: I have just been told that this is the seventy-first press conference since the fourth of March. Just think, I have survived seventy-one.

Q May we quote you on that?

THE PRESIDENT: Well, you will have to finish the seventy-first.

I don't think there is any news.

Q How are you going to get along without Mr. Sprague? (Laughter)

Q Do you care to make any comment on him, Mr. President?

THE PRESIDENT: No, there is only phrase that I could use, off the record, res ipsa loquitur.

Q That sounds like what I am thinking too. (Laughter)

Q Can you tell us whether you are going to see General Johnson Friday?

THE PRESIDENT: Yes, he is coming down either late Thursday night or the first thing Friday morning, I don't know which.

Q You don't know what he is going to talk about or what he has specifically come down for?

THE PRESIDENT: The chief reason is that I told him he needed about twenty-four hours of real holiday. And, in addition to that, I imagine we will talk about whatever codes he has up his sleeve.

Q Is Henry Ford coming down, Mr. President?

THE PRESIDENT: Not that I know of.

Q Mr. President, has anybody sent you wild turkeys or do you expect any?

THE PRESIDENT: I don't think anybody sent any wild turkeys. The last wild turkey I had down here was three years ago. My boy Jimmie went hunting, he had just one morning, that was all, and he got his wild turkey and sent it up to me. He was pretty lucky. He had just one morning's shooting.

By the way, are you comfortable there in your cottage?

Q Yes, we find it much better than the McPherson cottage where we were the last two times. It has a central heating plant and the rooms are much more comfortable.

THE PRESIDENT: I think it is a fairly quiet party all the way through. Morgenthau and his wife are coming down and probably Harold Ickes is coming down too.

Q Do you have a date for Mr. Morgenthau?

MR. EARLY: They are either arriving here or leaving Washington on Friday.

THE PRESIDENT: Harold Ickes is coming down, when I don't know. Bill Bullitt may come down.

MR. EARLY: I think Harry Hopkins is coming down some time.

THE PRESIDENT: Harry Hopkins, I think, is going to come down.

Q What are you going to talk with Morgenthau about, Mr. President?

THE PRESIDENT: About everything.

Q Anything special coming out?

THE PRESIDENT: No. None of these people are coming down to talk about anything special.

Q Do you know if Bullitt's sailing date has been announced in Washington?

THE PRESIDENT: Not yet. I guess you had probably better not write anything about it, it might complicate things in Washington. The question was whether he would go over just for a short trip to make the arrangements. You see, it requires a good many arrangements to be made before people actually go in and the question was whether he would go over now, the end of November or the beginning of December, just for a couple of weeks to make the arrangements and then come back here, pick up all his staff and go back the first part of January, or whether he should wait and collect his staff and go over about the same time. I do not think you had better write anything about it because they have not settled it in Washington, so far as I know.

I think the story ought to break from there.

Q Anything further on Cuba?

THE PRESIDENT: I have not heard a word since Welles left.

Q Is Mr. Welles coming back through here?

THE PRESIDENT: I told him that if he wanted to he could, that was all.

Q What did Welles tell you?

THE PRESIDENT: The only thing he told me was that it was damned good to go through a whole night without hearing bombs going off and rifle and machine-gun fire. He had a wonderful rest.

Q Mr. President, I certainly want to thank you for that statement on Dr. Hyde's experiment.

THE PRESIDENT: It is an awfully interesting thing. As I understand it, this will enable us to use for print paper the pine trees which do not have any commercial value otherwise, and especially the types of second growth that would not ever amount to anything for lumber. For instance, down the valley here, there is a ridge that goes almost clear across the State, and there is a sort of scrub pine which grows tremendously fast for the first fifteen years and then quits.

Q That is stunted.

THE PRESIDENT: It grows in the first fifteen years, it grows about thirty feet high and then quits.

Q It means a great deal to Georgia and much to the newspapers.

THE PRESIDENT: And he thinks that he has a cheaper process.

Of course the only other thing we have to watch out for now in all of the Southern pine States is to see that we do not cut the whole pine crop off without replacing it as we go along.

Q You know, it replaces itself. It will come right out of the ground.

THE PRESIDENT: Up to a certain point. Of course there are a good many areas that when you cut the pine clean, you get a deciduous growth in place of it.

Q That is true.

Q Do you care to offer any comment on the telegram the newspapermen sent from the Treasury yesterday?

THE PRESIDENT: No comment, but I can talk to you off the record about it. What we are doing in the Treasury is what we have done in the other departments. The best illustration is what happened in 1913 when I went to the Navy Department. That was before we got things centralized in the Secretary's office. It was about two weeks after I got there.

The method in those days -- did any of you people ever cover the State, War and Navy Building?

Q Yes, sir.

THE PRESIDENT: I don't know if you go far enough back, but in those days it was the custom to dig up, to get hold of an officer, to get your own particular news source in each one of the departments. It was a perfect nuisance and different stories would come out, something like this particular thing I have in mind. There was quite a controversy going on among the engineering people as to the relative merits of the Parsons turbine and some other kind of turbine. It was a purely technical thing, but the argument waxed with the heat in July. Of course, we could only have one kind of turbine on a new ship. Well, finally they got hold of one type of turbine and ran it for about a week and then the other fellows woke up and they ran their type for a week. Both types of turbines were perfectly good and we put half of them into one type of ship and the other half into another type of ship, so everybody was made happy.

There was the example. It had to be decided by the top people, and eventually it went to the Secretary. I suppose there was a story in it, but not the way the thing was done. Of course, when you have that sort of situation, you have to head the thing up and pretty nearly all the departments in Washington have done just that. I think it is much easier to get the story from the top. If there is a real controversy it will come out anyway. You go to the top fellow who says, "Why, sure; there is a controversy going on between the Parsons advocates and the other advocates." And he would give both sides. That would be the perfectly fair thing. Under the old system, the press was being used as a means of gaining an advantage over the other fellow.

What we are doing for the Treasury is what we have been doing for every other department in the Government.

That brings up this other thing about having different statistics coming from the various departments go through Riefler for checking. I could give you two very simple examples: You know about Agriculture getting out several times in the course of the Summer, statements related to the parity price that farmers were getting for their farm products. Now, the Department of Agriculture is absolutely and thoroughly equipped to determine how much the farmer gets for his products. They are specialists in that and their figures are 100%. But they are not equipped to get the information on what it costs the farmer for his shoes and clothes, tooth brushes and stuff of that kind that he has to buy. The Department of Labor is equipped for that. The result was that in the Department of Agriculture you had statistics which were wholly accurate on the one side because they had the equipment for it -- the value of the farm product and what the farmer would get for that product -- and they were not equipped to give the information on the other side, and they were not checking up with the Department of Labor as to the other side of the figures.

Now, all that happens is this: They will bring in to Riefler their story as to the parity price; Riefler will thereupon send it over to the Department of Labor to check on the Agriculture Department's figures on the cost of the things that the farmer buys. If the thing checks, that is fine; if it does not check, Agriculture is told, "Your figures do not tally with Labor's."

Another example is the Federal Reserve Board's publication that came out. You will recall that in it there was one sentence that said: "The falling off" -- I don't know whether it was orders or production or something else -- "in the industries that had to pay a processing tax was heavier than in the others." Now, the Federal Reserve statisticians had absolutely no means of finding that out. That particular sentence was pure guess-work on their part and didn't happen to be true. You take, for instance, cotton, on which the cotton industry pays the processing tax. The reason there, and he could have found this out very easily from NRA or Labor, the reason there for the falling off was not the processing tax at all, but was the fact of everybody going in and giving all the orders in May and June and the first part of July, which gave us a tremendous over-production, especially because a great many mills tried to turn out all they possibly could, as you know, before NRA went into effect. There is another illustration. If the Federal Reserve Board statistician had gone to Riefler and shown him this, Riefler would have said, "Hey! That doesn't check. Go and see Labor. Go and see NRA. Get their figures."

Now, that is all that this centralization of statistics passing through the hands of Riefler means. It is merely a check to see that one department confines itself to its own knowledge and does not try to guess about other people's knowledge.

Q Do you mind if we use some of that, Mr. President?

THE PRESIDENT: Use it for background.

Q Anything about the possible length of your speech Friday night? I have a query on that this morning.

THE PRESIDENT: It depends entirely on how the National

Broadcasting and the Columbia Broadcasting work it out. They are having a little difficulty with their time.

Q Thank you, Mr. President.

MEMORANDUM
Warm Springs, Georgia
November 22, 1933

(The President dictated the following to be given to the Press in the event there was any necessity. It was never released, to my knowledge.)

THE PRESIDENT: With respect to the money going out, you can tell them what the answer would have been. It would have been off the record, but that there has been a great deal of talk ever since last April of the flight of capital from the United States and that the people responsible for this talk have been privately going around New York City and other places in a mouth-to-mouth campaign, charging that between four billion and five billions of capital had left this country and last week I had a very careful check-up made by two different agencies. One was the Federal Reserve Bank itself and the other was through the representatives of private bankers in London, Paris and other European centers. Both of these check-ups agree, and the total amount from April to date is probably not more than six or seven hundred million dollars, which is a drop in the bucket, and that most of that amount is not money sent out of this country at all, but is credit balances which Americans, instead of bringing back home, have left in London, Paris, et cetera, primarily for speculative reasons, hoping that by leaving it there they could eventually bring more money home than they originally got for the sale of American products. For instance, the best example is this: A raw cotton exporting firm, exporting ten millions worth of cotton to Liverpool, would be paid ten millions in Liverpool and instead of buying dollars with that ten million, they have left it on deposit in British banks.

MR. EARLY: Unless you have a reason for getting that out sub rosa, I would never give it out, not even as background.

THE PRESIDENT: Kannee, write it out and you and I keep it, because it is a pretty good explanation.

CONFIDENTIAL
Press Conference #72
Warm Springs Foundation, Warm Springs, Georgia
November 24, 1933, 4.00 PM

Q Mr. President, when are you going to begin your talks with Secretary Morgenthau? Tomorrow?

THE PRESIDENT: There won't be any formal talk.

Q Is Bullitt coming down tomorrow?

THE PRESIDENT: He will be here tonight.

Q Is Secretary Ickes due tonight?

THE PRESIDENT: No. He will probably be here Sunday. John J. Raskob is coming tonight.

Q What is he coming down here for?

THE PRESIDENT: On a social visit.

Q Did you hear about Johnson's breakdown?

THE PRESIDENT: What happened?

Q His Army car broke down and he arrived here in a Ford. (Laughter)

Q Is Mr. Raskob here for anything outside of a little social talk?

THE PRESIDENT: Well, you know Mr. Raskob has been connected with the Foundation for a good many years.

Q Do you expect to have any talk with Raskob outside of that?

THE PRESIDENT: I haven't the faintest idea.

Q How long will he stay?

THE PRESIDENT: I don't know.

Q Do you care to say anything about the attacks we see in the newspapers, the attacks on your monetary program?

THE PRESIDENT: No.

Q Have you been reading the papers? (Laughter)

THE PRESIDENT: It is in the same category with what I told you when you asked about Sprague getting out.

Q I found out what that meant afterwards. (Laughter)

Q Any reaction on your Cuban statement?

THE PRESIDENT: I haven't heard a peep.

Q There is a lot of discussion as to whether that meant an invitation to the Grau San Martin Government.

THE PRESIDENT: Just what was said. It is a repetition of what was said before.

Q To get back -- (interrupted)

Q There is a great division among these gentlemen on your statement. Some say it is an invitation and the majority think not.

THE PRESIDENT: The majority is right. Only, use that as background. From the very beginning, we have said all along that we are not taking sides in any way. It is up to the Cuban people to decide and so far it appears at the present time that we haven't yet got a provisional government that clearly has the support of the majority of the Cuban people. What can we do? We can't do anything. The matter rests.

Q You seem to have pretty good confidence that we may get a good government down there, from that statement.

THE PRESIDENT: And then the only other thing there -- the only real bit of news in that statement was that we are going to do shortly what we were planning on for some time, and that is to swap Welles and Caffery. Of course that has been planned for some time.

Q There is a big mystery here, Mr. President. We had you and Morgenthau and Hugh Johnson meeting all afternoon. (Laughter)

THE PRESIDENT: Just between ourselves, I talked to old man Doherty about Warm Springs and also to Judge Lacy about Warm Springs, and now I am going to take a sweat bath and get back in time to see Morgenthau.

Q Is it perfectly safe for us to report, as we have been doing, that there is no change in your present policy contemplated?

THE PRESIDENT: I think you are pretty safe in doing that.

Q Who is Judge Lacy? Is he from New York?

THE PRESIDENT: He is from Detroit. If you want a story, talk to him about what banks outside of New York City are doing. He is putting together the Detroit Trust Company.

Q Thank you very much, Mr. President.

CONFIDENTIAL
Press Conference #73
Warm Springs Foundation, Warm Springs, Georgia
November 29, 1933, 11.30 AM

THE PRESIDENT: The only news I have got that I know of is the set-up of the Federal Alcohol Administration. You will have to take this down because I haven't got it copied out for you. The Director and Chairman will be Joseph H. Choate, Jr..

Q He is the New York attorney?

THE PRESIDENT: Yes, he is the son of the former Ambassador. Those representing the departments are W. A. Strover, representing the Department of Justice, at present Chief Counsel of the Prohibition Unit in the Division of Investigation of the Department of Justice. Edward G. Lowry represents the Treasury Department; he is now Special Assistant to the Secretary. I think he is the son of Edward Lowry.

Q He represented the Evening Post in Washington.

THE PRESIDENT: I think so. Dr. W. L. Thorpe represents the Department of Commerce; he is the Director of the Bureau of Foreign and Domestic Commerce. Mr. Harris Willingham represents the Department of Agriculture and he was primarily responsible for the drafting of the Code.

Well, I have to go over agriculture with the Secretary for about an hour and then I am going down to the pool to continue there.

Q What are you going to take up in that connection?

THE PRESIDENT: Agriculture in general.

Q Please help us out this morning. (Laughter)

THE PRESIDENT: I am going down to see the CCC camp at three o'clock.

Q That is Camp Meriwether, is it not?

THE PRESIDENT: I think so, yes.

Q Is that on the Foundation, Mr. President?

THE PRESIDENT: No, it is across the railroad tracks.

Q Mr. President, we have had several inquiries concerning the hanging out in California of the two kidnappers.

THE PRESIDENT: Well, look, please, as a matter of favor, do not say anything about it because I have not made up my mind one way or the other, because I don't know. It depends on whether I am as mad in the afternoon as I was this morning, also as to whether a President has any right to say anything about a Governor.

Q In Maryland also, over on the Eastern Shore, they had a fight.

THE PRESIDENT: I see they drove the militia away.

Q They also ran a newspaper man out of there.

Q We had another lynching in St. Joseph, Missouri, last night.

THE PRESIDENT: Really?

Q A mob of seven thousand took two negroes out of jail after they had confessed to attacking a white girl.

Q They took them away from tanks and the National Guard. They had tanks around and they took them away just the same.

Q Still want to count ten, Mr. President?

THE PRESIDENT: The Washington dispatches, of course, were cockeyed about this visit of Gene Black's.

Q How do you spell "cockeyed", Mr. President? (Laughter)

THE PRESIDENT: That is all right. I still button my collars in front. But as to Gene Black, before I left Washington -- there is no mystery about it -- he said, "I am going to be home before Thanksgiving. Can I run down?" I think Bruere is spending Thanksgiving with him and he came down just as a house guest. There is no more significance to it than that.

Q There is a Press Association story saying that he will not resign unless you request him to.

THE PRESIDENT: That is what they call freedom of the press.

Q Mr. President, can you tell us anything about your discussions with Secretary Ickes while he was here? We never did catch him.

THE PRESIDENT: Let me see, what did we talk about? I will tell you what we did talk about -- the thing you can use. We went over, very carefully, all of the allotment figures of the three billion three hundred million, and they showed, after we got through with them, only about one hundred fifty million that is still free, that is to say that is not yet allotted or earmarked. In all probability within the next three weeks, certainly by Christmas, we will have all of those allocations finally made.

Q You mean the entire three billion three hundred million?

THE PRESIDENT: That will be the entire three billion three hundred million, applied, allotted or earmarked. When I say "earmarked", just to give you an example, the Chicago Sewage Disposal will take quite a lot of money -- I would be afraid to say whether thirty or sixty millions, whatever it is -- and they are not ready yet on their plans, but it is a project that we think we ought to go through with because of its importance in carrying out the St. Lawrence Treaty so as to end the present diversion of water for sewage purposes. That is merely an earmarking because none of it will be spent for a couple of weeks.

Q Offhand, would you run over some of the major allocations from that fund? It would certainly help us to build up what promises to be a good story.

THE PRESIDENT: Gosh, I wish I could tell you out of my head. Has anybody any records on that?

MR. EARLY: I can probably get them for you.

Q If you could give us some of the future allotments.

THE PRESIDENT: There was only about four hundred millions left when he came down here and by the time we got through there was earmarked or allotted 250 million out of it. There was one item of a hundred million dollars and I can't, for the life of me, remember what it was. Wait, it was 135 million.

Q It wasn't for the newspaper men's home, was it? (Laughter) When all this money is used up, are you going to ask Congress for more?

THE PRESIDENT: We haven't got to that yet. I think you can use this in your stories. I also asked the Secretary to let me have, when I get back, an estimate of how much of the total allotted money will be actually spent for wages and materials prior to July 1, 1934. Secondly, what portion of the total three billion three hundred million will be expended for labor and materials during the fiscal year 1934-5 and also what remainder there will be that won't be expended until the fiscal year 1935-6. That, of course, will be an approximate amount.

The best illustration is that we loaned thirty-five or forty million dollars, I think it was, to the Triborough Bridge in New York, which is a self-sustaining project, therefore we had to finance the entire amount. In other words, we couldn't let them have just one year's work, we had to put the thing through. It will take three years to build it and what I am trying to find out is what proportion will be spent this year, what next year and what the third year. Now, having found that out, we will know more definitely how much more we should ask Congress for, to be added to the 1934-5 portion of the money already appropriated. Is that clear?

Q In other words, does it mean in addition to the three point three or merely how much Congress shall appropriate of that amount?

THE PRESIDENT: No, no. It means an addition. As an example, one of the necessities for an additional appropriation in the following fiscal year is some of the government projects that will take two or three years to build and on those government projects we have only allocated from the three billion three hundred million the amount necessary for this year.

For instance, as an example, upper Mississippi. We only allocated to the Upper Mississippi Dredging Project and Canal Project an amount to carry us through this year. Obviously we won't stop then. We will need additional Federal funds to carry it on for another year or possibly two years. We are waiting until we get those figures to determine how much to ask Congress for.

Q You see what we are up against on the stories on the monetary issue. Anything you can tell us about it?

THE PRESIDENT: I don't think there is a thing I can tell you about it, except what I think I can only tell you off the record, because I would much rather have no story come out of Warm Springs. Off the record, the difficulty is this: The objective of the policy was made perfectly clear on the 21st of October. Now, in the methods of arriving at the objective, we keep the objective in mind and are constantly working towards that. One day we buy gold and another day we don't. One day we put up the rate and another day we don't. Therefore, it is not in any way accurate to say that because we don't happen to buy one day or happen to put the price up one day, the policy has been changed. Not at all. We have been working from the very beginning with a perfectly simple objective, and it has worked out very well.

Q And, of course, if you tell about it in advance, it won't work.

THE PRESIDENT: Let me give you an illustration of the difference between this country and England. Chamberlain had a question put to him in Parliament the other day. The question was, "Will you please tell us what has become of the equalization fund of two hundred million pounds? Is it still being used? How much has been spent? Is there a loss in it or a profit in it?" And what do you suppose his reply was? He said, "It would be contrary to public policy for me to discuss the equalization fund in any shape, manner or form." And the British public said, "All right. That is fine." In other words, their conduct of operations is very similar to ours -- very little difference between the two. They have been doing it since 1931.

Q A couple of years ahead of us.

THE PRESIDENT: You had better have this off the record.

Q Can we make it clear, what you say about the daily operations of the Treasury?

THE PRESIDENT: For instance, you take the crazy, perfectly crazy stories out of Washington. The Federal Reserve System a month ago -- a whole month ago -- practically quit their open market purchases. They tapered down. They had been running as high as about 15 millions a week and they tapered down. Everybody knew they were doing it and they got to the point two weeks ago when they were not buying or selling anything as an open market purchase, as a definite operation. Of course there always is a little purchasing between sections, things like that, which shows plus or minus two or three millions. Unfortunately, last week they were not having any open market operations and on the balance it happened to be a million minus by chance, whereupon large headlines and leads saying, "Row between Treasury and Federal Reserve System."

Q I think, Mr. President, it would be rather clarifying if we could make clear in some way that where gold is purchased today it has no significance on the maintenance of your policy.

THE PRESIDENT: No; what we are seeking is a definite objective. I think you can make that clear.

Q And we can say that?

THE PRESIDENT: Of course the speculators would love to know what we are going to do tomorrow.

Q I am going to ask you about silver. I want to know whether I should buy some. (Laughter) at the present time that we haven't yet got a provisional government that clearly has the support of the majority of the Cuban people. What can we do? We can't do anything. The matter rests.

Q You seem to have pretty good confidence that we may get a good government down there, from that statement.

THE PRESIDENT: And then the only other thing there -- the only real bit of news in that statement was that we are going to do shortly what we were planning on for some time, and that is to swap Welles and Caffery. Of course that has been planned for some time.

Q There is a big mystery here, Mr. President. We had you and Morgenthau and Hugh Johnson meeting all afternoon. (Laughter)

THE PRESIDENT: Just between ourselves, I talked to old man Doherty about Warm Springs and also to Judge Lacy about Warm Springs, and now I am going to take a sweat bath and get back in time to see Morgenthau.

Q Is it perfectly safe for us to report, as we have been doing, that there is no change in your present policy contemplated?

THE PRESIDENT: I think you are pretty safe in doing that.

Q Who is Judge Lacy? Is he from New York?

THE PRESIDENT: He is from Detroit. If you want a story, talk to him about what banks outside of New York City are doing. He is putting together the Detroit Trust Company.

Q Thank you very much, Mr. President.

CONFIDENTIAL
Press Conference #73
Warm Springs Foundation, Warm Springs, Georgia
November 29, 1933, 11.30 AM

THE PRESIDENT: The only news I have got that I know of is the set-up of the Federal Alcohol Administration. You will have to take this down because I haven't got it copied out for you. The Director and Chairman will be Joseph H. Choate, Jr..

Q He is the New York attorney?

THE PRESIDENT: Yes, he is the son of the former Ambassador. Those representing the departments are W. A. Strover, representing the Department of Justice, at present Chief Counsel of the Prohibition Unit in the Division of Investigation of the Department of Justice. Edward G. Lowry represents the Treasury Department; he is now Special Assistant to the Secretary. I think he is the son of Edward Lowry.

Q He represented the Evening Post in Washington.

THE PRESIDENT: I think so. Dr. W. L. Thorpe represents the Department of Commerce; he is the Director of the Bureau of Foreign and Domestic Commerce. Mr. Harris Willingham represents the Department of Agriculture and he was primarily responsible for the drafting of the Code.

Well, I have to go over agriculture with the Secretary for about an hour and then I am going down to the pool to continue there.

Q What are you going to take up in that connection?

THE PRESIDENT: Agriculture in general.

Q Please help us out this morning. (Laughter)

THE PRESIDENT: I am going down to see the CCC camp at three o'clock.

Q That is Camp Meriwether, is it not?

THE PRESIDENT: I think so, yes.

Q Is that on the Foundation, Mr. President?

THE PRESIDENT: No, it is across the railroad tracks.

Q Mr. President, we have had several inquiries concerning the hanging out in California of the two kidnappers.

THE PRESIDENT: Well, look, please, as a matter of favor, do not say anything about it because I have not made up my mind one way or the other, because I don't know. It depends on whether I am as mad in the afternoon as I was this morning, also as to whether a President has any right to say anything about a Governor.

Q In Maryland also, over on the Eastern Shore, they had a fight.

THE PRESIDENT: I see they drove the militia away.

Q They also ran a newspaper man out of there.

Q We had another lynching in St. Joseph, Missouri, last night.

THE PRESIDENT: Really?

Q A mob of seven thousand took two negroes out of jail after they had confessed to attacking a white girl.

Q They took them away from tanks and the National Guard. They had tanks around and they took them away just the same.

Q Still want to count ten, Mr. President?

THE PRESIDENT: The Washington dispatches, of course, were cockeyed about this visit of Gene Black's.

Q How do you spell "cockeyed", Mr. President? (Laughter)

THE PRESIDENT: That is all right. I still button my collars in front. But as to Gene Black, before I left Washington -- there is no mystery about it -- he said, "I am going to be home before Thanksgiving. Can I run down?" I think Bruere is spending Thanksgiving with him and he came down just as a house guest. There is no more significance to it than that.

Q There is a Press Association story saying that he will not resign unless you request him to.

THE PRESIDENT: That is what they call freedom of the press.

Q Mr. President, can you tell us anything about your discussions with Secretary Ickes while he was here? We never did catch him.

THE PRESIDENT: Let me see, what did we talk about? I will tell you what we did talk about -- the thing you can use. We went over, very carefully, all of the allotment figures of the three billion three hundred million, and they showed, after we got through with them, only about one hundred fifty million that is still free, that is to say that is not yet allotted or earmarked. In all probability within the next three weeks, certainly by Christmas, we will have all of those allocations finally made.

Q You mean the entire three billion three hundred million?

THE PRESIDENT: That will be the entire three billion three hundred million, applied, allotted or earmarked. When I say "earmarked", just to give you an example, the Chicago Sewage Disposal will take quite a lot of money -- I would be afraid to say whether thirty or sixty millions, whatever it is -- and they are not ready yet on their plans, but it is a project that we think we ought to go through with because of its importance in carrying out the St. Lawrence Treaty so as to end the present diversion of water for sewage purposes. That is merely an earmarking because none of it will be spent for a couple of weeks.

Q Offhand, would you run over some of the major allocations from that fund? It would certainly help us to build up what promises to be a good story.

THE PRESIDENT: Gosh, I wish I could tell you out of my head. Has anybody any records on that?

MR. EARLY: I can probably get them for you.

Q If you could give us some of the future allotments.

THE PRESIDENT: There was only about four hundred millions left when he came down here and by the time we got through there was earmarked or allotted 250 million out of it. There was one item of a hundred million dollars and I can't, for the life of me, remember what it was. Wait, it was 135 million.

Q It wasn't for the newspaper men's home, was it? (Laughter) When all this money is used up, are you going to ask Congress for more?

THE PRESIDENT: We haven't got to that yet. I think you can use this in your stories. I also asked the Secretary to let me have, when I get back, an estimate of how much of the total allotted money will be actually spent for wages and materials prior to July 1, 1934. Secondly, what portion of the total three billion three hundred million will be expended for labor and materials during the fiscal year 1934-5 and also what remainder there will be that won't be expended until the fiscal year 1935-6. That, of course, will be an approximate amount.

The best illustration is that we loaned thirty-five or forty million dollars, I think it was, to the Triborough Bridge in New York, which is a self-sustaining project, therefore we had to finance the entire amount. In other words, we couldn't let them have just one year's work, we had to put the thing through. It will take three years to build it and what I am trying to find out is what proportion will be spent this year, what next year and what the third year. Now, having found that out, we will know more definitely how much more we should ask Congress for, to be added to the 1934-5 portion of the money already appropriated. Is that clear?

Q In other words, does it mean in addition to the three point three or merely how much Congress shall appropriate of that amount?

THE PRESIDENT: No, no. It means an addition. As an example, one of the necessities for an additional appropriation in the following fiscal year is some of the government projects that will take two or three years to build and on those government projects we have only allocated from the three billion three hundred million the amount necessary for this year.

For instance, as an example, upper Mississippi. We only allocated to the Upper Mississippi Dredging Project and Canal Project an amount to carry us through this year. Obviously we won't stop then. We will need additional Federal funds to carry it on for another year or possibly two years. We are waiting until we get those figures to determine how much to ask Congress for.

Q You see what we are up against on the stories on the monetary issue. Anything you can tell us about it?

THE PRESIDENT: I don't think there is a thing I can tell you about it, except what I think I can only tell you off the record, because I would much rather have no story come out of Warm Springs. Off the record, the difficulty is this: The objective of the policy was made perfectly clear on the 21st of October. Now, in the methods of arriving at the objective, we keep the objective in mind and are constantly working towards that. One day we buy gold and another day we don't. One day we put up the rate and another day we don't. Therefore, it is not in any way accurate to say that because we don't happen to buy one day or happen to put the price up one day, the policy has been changed. Not at all. We have been working from the very beginning with a perfectly simple objective, and it has worked out very well.

Q And, of course, if you tell about it in advance, it won't work.

THE PRESIDENT: Let me give you an illustration of the difference between this country and England. Chamberlain had a question put to him in Parliament the other day. The question was, "Will you please tell us what has become of the equalization fund of two hundred million pounds? Is it still being used? How much has been spent? Is there a loss in it or a profit in it?" And what do you suppose his reply was? He said, "It would be contrary to public policy for me to discuss the equalization fund in any shape, manner or form." And the British public said, "All right. That is fine." In other words, their conduct of operations is very similar to ours -- very little difference between the two. They have been doing it since 1931.

Q A couple of years ahead of us.

THE PRESIDENT: You had better have this off the record.

Q Can we make it clear, what you say about the daily operations of the Treasury?

THE PRESIDENT: For instance, you take the crazy, perfectly crazy stories out of Washington. The Federal Reserve System a month ago -- a whole month ago -- practically quit their open market purchases. They tapered down. They had been running as high as about 15 millions a week and they tapered down. Everybody knew they were doing it and they got to the point two weeks ago when they were not buying or selling anything as an open market purchase, as a definite operation. Of course there always is a little purchasing between sections, things like that, which shows plus or minus two or three millions. Unfortunately, last week they were not having any open market operations and on the balance it happened to be a million minus by chance, whereupon large headlines and leads saying, "Row between Treasury and Federal Reserve System."

Q I think, Mr. President, it would be rather clarifying if we could make clear in some way that where gold is purchased today it has no significance on the maintenance of your policy.

THE PRESIDENT: No; what we are seeking is a definite objective. I think you can make that clear.

Q And we can say that?

THE PRESIDENT: Of course the speculators would love to know what we are going to do tomorrow.

Q I am going to ask you about silver. I want to know whether I should buy some. (Laughter)

THE PRESIDENT: I haven't done or thought anything about silver for several weeks. Of course it is being studied in Congress and the Treasury.

MR. EARLY: I don't think you mean to permit the use of all that detail you went into.

Q No, only on that one point.

MR. EARLY: Some of that other stuff you couldn't possibly use.

THE PRESIDENT: Just that one point. The daily operation should not lead to any conclusion that the thing has been abandoned or there has been a change in policy or anything like that.

Q It does no harm to say that you have your objective and are working toward it?

THE PRESIDENT: Yes.

Q How about saying that you think it is working pretty well?

THE PRESIDENT: No, I would not say that.

Q Has Mr. Wallace been behaving?

THE PRESIDENT: Well, I don't know; the only problem about Wallace and Ickes is that neither of them took a bath while down here. (Laughter)

Q Throw them in the pool, Mr. President.

SECRETARY WALLACE: Good farmers wait until Saturday. (Laughter)

THE PRESIDENT: Here is an appointment for Eugene Vidal. I have appointed him a member of the Special Advisory Committee for Aeronautics.

Q Can you tell us anything about Mr. Choate; has he a good liquor background?

THE PRESIDENT: He is an old friend of mine. He is a fine person. I don't know what else you can say about him.

Q We haven't seen that Code. As I understand it, the Administrator has pretty full power under it.

THE PRESIDENT: Yes; of course the general theory is that it leaves the actual control in the industry itself. The primary control is in the industry. We have three objectives: The first is to allow the sovereign states full authority, in every shape, manner and form, over the methods of sale. In other words, we are carrying out the Democratic Platform on that. The other two objectives are to get pure liquor at a reasonable price without --

Q That is a good idea.

THE PRESIDENT: -- without flooding the market because, if you start to flood the market it means cut-throat competition and that means that somebody is going to put out rotten liquor. And, of course, we want the elimination of the bootlegger as far as we can.

And then I think, if I were writing a liquor story, I would make it clear that this Code was made necessary and had to be rushed through so that we would have some control between the 5th of December and the time that Congress acts. And it is, in a sense, experimental because Congress may want to change it after they see how it works. On the other hand, Congress may say that we have not sufficient information or data on its work at this Session so that we will let the thing go over to another Session and see how it works in the meantime.

Q Mr. President, Secretary Wallace indicated the othrr day that the consensus right now was in favor of a rather low tax. Has anything been reached on that?

THE PRESIDENT: Not yet. We are still working on it. Of course we have a perfectly definite law on what the tax is or will be from the 5th of December on. There is, of course, quite a lot of sentiment, -- it is being studied -- quite a lot of sentiment in favor of a subdivision of the tax on liquor by what might be called a "gentlemen's agreement", -- I think I talked about this before -- between the States and the Federal Government under which the States would reserve to themselves the occupational tax. That would be the tax on the dealers, the hotels, restaurants, selling agencies of all kinds, and retain that, leaving to the Federal Government what is known as the volume tax. Now, that would be left to the Federal Government in this way: The Federal Government would collect a volume tax and would return to the several States a percentage of that volume tax in the case of those States that put no volume tax of their own on. Now, that is merely one of the various methods of taxation that are being talked about, but the whole matter, of course, will depend on Congress rather than the Administration.

Q What does the Code provide as to importations? Does it limit them?

THE PRESIDENT: I could not tell you. I don't know.

Q Mr. President, there is some talk about rigid limitations on hard liquor.

THE PRESIDENT: Hard liquor? I would be afraid to say anything on it because there is something in there but what it is I do not know. I haven't a copy down here.

Q In the return of the tax by the Government to the several States, would there be any distinction between a State such as New York, which is wet and permits the sale of liquor, and a State which is absolutely dry, prohibiting the sale of liquor?

THE PRESIDENT: You see, in a State like Georgia, which would prohibit the sale, the thing would not come in at all. The question would not arise.

This will have to be off the record, but if you got a bottle of good liquor down here, it would, necessarily, be in this State illegally but it would have paid the tax in some other State where it had been legally sold and the State in which it had been sold would get the benefit of the drawback.

Q Thank you, Mr. President.

CONFIDENTIAL
Press Conference #74
Warm Springs Foundation
Warm Springs, Georgia

December 2, 1933, 10.30 A.M.

THE PRESIDENT: I just signed the alcohol importing code. The correct title is Code of Fair Competition for the Alcoholic Beverages Importing Industry.

Q Is that going to let any in?

THE PRESIDENT: It follows substantially the lines of the other code. Temporarily it allows, until Congress acts or does not act, a preliminary permit. And, thereafter, what would be a definite permit system under the FACA.

Q A permit system under what?

THE PRESIDENT: The Federal Alcohol Control Administration. By the time you get back to Washington you will have to learn a lot more letters.

Q Does that mean that whatever Congress indicates will come under that Administration?

THE PRESIDENT: Oh, no. Of course the whole theory of the FACA is that it is an effort to bridge the gap between the fifth of December and such time as Congress may act. Of course nobody knows what Congress will do.

Q There is a temporary permit. And thereafter --

THE PRESIDENT: Yes, if Congress does not act or modify or change it in any way.

Q On this alcohol thing, what is going to be the attitude of the Government towards the sale of beer licenses in Georgia, Georgia being dry?

THE PRESIDENT: The Federal Government sells a beer license in Georgia --

Q Everybody has to have a Federal license and a city license even though it is contrary to State law.

THE PRESIDENT: That is something we will have to look into.

Q I wonder if you could tell us something about the convictions for violations of the Prohibition Law? They are soaking them right along in Atlanta. Convictions for bootlegging get 18 months in the Federal penitentiary.

THE PRESIDENT: Well, they violated the law.

Q I was just wondering whether there would be amnesty?

THE PRESIDENT: The question of the reasonableness of the sentence is a different thing but they certainly violate the law. There is no getting around that.

Q Does this Code fix the amount of liquor which may be imported?

THE PRESIDENT: No, that will be done in a preliminary way on the estimated needs of the country. I think that is the easiest way to express it.

Q Based on the 1910 to 1914 average? How much came in in 1910 to 1914?

THE PRESIDENT: I don't know.

Q We want to make sure we have enough. (Laughter)

THE PRESIDENT: We can always come down here Stevie (Mr. Stephenson), it is all right.

Q There was some question of discriminating between the amount of hard liquor and wines?

THE PRESIDENT: No, I don't think so. I think the average of the 1910 to 1914 period would be the controlling amount as applied to hard liquors and wines.

Q That was a minimum of the 1910 to 1914, was it not?

THE PRESIDENT: Yes.

Q I think it was expressed on the basis of the minimum of 1910 to 1914 average. What would that mean, the minimum for one month?

THE PRESIDENT: I don't know; do you Mr. Lowry?

MR. LOWRY: They have taken the five-year average, sir, on a monthly basis and divided it by twelve.

Q We keep hearing from abroad that something is doing on currency.

THE PRESIDENT: That was yesterday afternoon's story. I just characterized it then as another one.

Q Last night one came in to the effect that Great Britain and France had both made overtures to you for some kind of an understanding?

THE PRESIDENT: That is number two in 24 hours.

Q I continue to hear from Washington, despite my stories to the contrary, that you are going to talk money to some extent on Wednesday night?

THE PRESIDENT: You are right and Washington is wrong.

Q Have you received any protests from Norman Thomas in connection with the lynching cases throughout the country?

THE PRESIDENT: There was one from Norman.

Q Is there anything new on money that we should be watching for?

THE PRESIDENT: I would not tell you if there was but there isn't.

We have to have a little ceremony. Mac's pocket was picked Thursday night. He lost his watch and he did not like to admit it because it might have -- (Laughter). But I had the Secret Service look for it and they found it somewhere. I would not care to tell you where. (Laughter)

Q How many guesses do we get?

THE PRESIDENT: No, there are limits. The first guess might be right.

MR. McINTYRE: I would like to know how it got off the chain.

* * * * *

Q I wonder if you could tell us anything about the meeting of the Board yesterday with respect to further development of the Foundation? Was any definite action taken in any way along that line?

THE PRESIDENT: No. About the only thing that happened was that we talked in general about the future development and of course one thing is perfectly obvious and that is that before we can actually tear down the old Inn, we have to have two units of bedrooms. Georgia Hall takes care of all the administrative end, the eating end and the social end, but we have to have two more units of bedrooms. Of course they have various plans on for raising additional funds this Winter and I hope very much by Spring we will have enough money to put up the two new buildings. They will be wings of Georgia Hall and as soon as that happens down comes the old firetrap Inn.

Q What do you figure you will need for this in the way of money? How much?

THE PRESIDENT: Somewhere between $50,000 and $75,000.

Q Mr. President, someone has asked me to ask you if there is anything new on Henry Ford?

THE PRESIDENT: I haven't heard a peep. The only thing we did have, off the record, because we don't know enough to make a story about it, the Secretary of Agriculture called up Mac last night and wanted to know about bids for Ford cars and we told him we did not know anything about it, to get in touch with the Comptroller General and General Johnson, -- why bother us?

Q May I revert to this liquor story just a minute? Have you named anyone as Administrator of that Code, sir?

THE PRESIDENT: Of the Code itself?

MR. LOWRY: Not of this particular code. This code will be administered by the FACA.

THE PRESIDENT: Yes, the FACA will administer it like the other code.

Q Will there be a separate head of it?

THE PRESIDENT: No, the same five people.

Q Watertown, New York, hears that Cosgrove has been appointed as one of the three members of the Advisory Committee of the Public Works Administration?

THE PRESIDENT: Yes, that was approved several days ago. He takes the place of -- I think it is TenEyck of Albany.

Q This is just a State Advisory Board?

THE PRESIDENT: Yes. TenEyck took it temporarily and then, at the end of the three months' period, he got out and this is merely to take his place.

Q That is Peter TenEyck?

THE PRESIDENT: Yes. It is the up-State Board. I think we have two in New York and it is the up-State Board.

Q What is the name of the board?

Q Advisory Committee of the Public Works Administration?

For the record, that was today he was named?

THE PRESIDENT: He was.

Q I can't be scooped like that. (Laughter)

THE PRESIDENT: All we got was, "Would it be all right to appoint him." That was several days ago.

Q Are you leaving tomorrow, Mr. President?

THE PRESIDENT: I will be on board at two thirty. That is the Southern Station, not the A. B. & C., so don't go to the A. B. & C. Station and wait for the train. (Laughter)

Q The last time we were here you said that you would say something about the lynching situation?

THE PRESIDENT: I won't do anything before I get back to Washington. That is off the record.

Q You do not intend to go to Atlanta this afternoon?

THE PRESIDENT: Lord, no. I have all the mail to do. But I do expect to get back to Washington without any papers.

Q Did you enjoy your stay down here?

THE PRESIDENT: I had a grand time and I think we all did.

Q Thank you, Mr. President.

CONFIDENTIAL
Press Conference #75
Executive Offices of the White House

December 6, 1933, 10.50 A.M.

(Mrs. Roosevelt was present together with a few house guests.)

THE PRESIDENT: I think about the only news is that we have had, as you know, a good many problems caused by lack of information in localities about what the Government's agencies could do or were doing. There has been a good deal of duplication of machinery in the 3,000 and some odd counties in the United States. People who needed relief of one kind or another or needed financing of one kind or another did not know whom to go to, despite the fact that there have been anywhere from half a dozen to a dozen representatives of various agencies of the Federal Government in such localities. It has been a rather necessary state of confusion caused by the setting up of these various agencies. It could not be helped. But I think the time has come for us to try to consolidate information about the Federal agencies in the form of some kind of information that will tie everything in together, where any individual or group or corporation can go to find out all the intricacies of the new machinery.

So we are setting up, to take care of these emergency activities of the Federal Government, a National Emergency Council, which will be composed, here in Washington, of the Secretary of the Interior -- Steve will give you a list afterwards so I don't know whether it is worthwhile for you to take this down -- the Secretary of Commerce, the Secretary of Labor, the Administrator of AAA, the Administrator of NRA, the Administrator of Federal Emergency Relief, the Chairman of the Home Owners Loan Corporation, the Governor of the Farm Credit Administration, a representative of the Consumers' Council and others. In order that the local activities in the different localities may be linked directly and effectively with the Federal Administration, there will be appointed State Directors and under those State Directors there will be County Councils for the average county in the United States. In the case of a city, it will be a City Council.

The main Council in Washington will sit as a central information bureau for the purpose of conveying any information with reference to various Government agencies and will send out that information, in simple, plain language, to the State Directors and, through them, to the County Councils. In other words, they will set up similar bureaus in the various counties, providing machinery, temporary in character, for the adjustment of such controversies as may arise out of the operation of NRA and AAA and other agencies and, through the coordination and reorganization of the efforts and activities of the Government, will tend to eliminate a number of the agencies necessarily created during the early stages of the emergency but now no longer necessary.

For the time being and until a permanent director is appointed, I have asked Frank Walker, Secretary of the Executive Council, to serve temporarily as Director of the National Emergency Council. This, I might add, is not to be used for propaganda. It is merely an information service for the people in every locality.

Q Will its activities be confined to giving out information?

THE PRESIDENT: Only to people who apply for information or to give out statements as to the proper procedure to be followed.

Q Are these gentlemen to be paid by the Government, Mr. President?

THE PRESIDENT: I could not tell you; I don't know, John (O'Brien). I imagine in a good many cases, in counties for instance, they will serve without pay.

Q That has not been decided?

THE PRESIDENT: No; it has never been raised.

Q Are there funds available to pay these people?

THE PRESIDENT: Yes, it comes out of the general NRA funds.

Q Since Postmaster General Farley is somewhere in Europe and we cannot reach him, will you be kind enough to give information as to local appointments, the District Attorney and the Public Utilities Commissioner?

THE PRESIDENT: I hope to take it up some time during the balance of this week and let you know. But that is only a hope and not a promise.

Q Mr. President, can you give us something on lynching?

THE PRESIDENT: No.

Q Can you give us something on the Securities Act in connection with Commissioner Landis' visit yesterday?

THE PRESIDENT: No; we just continued conversations, that is all.

Q Did he bring a report supposedly giving the names of the investment houses which say they cannot float any loans because of this --

THE PRESIDENT: No; he did not give me anything like that. Merely told me about the condition, about the applications which had definitely been made to the Commission up to the present time.

Q Mr. President, could you discuss the December 15 refinancing program?

THE PRESIDENT: I don't think they are ready for it yet at the Treasury. I think it is fair to assume that there won't be any trouble.

Q Mr. President, has it been definitely determined to amend the Securities Act?

THE PRESIDENT: No. I don't know where you people get all those silly stories. In other words, the whole operation not only of that but of stock exchanges is being studied by various people in the Administration and also in the Congressional committees, and that is about as far as you can go.

Q The background you gave us some time ago still stands?

THE PRESIDENT: Yes.

Q That was to the effect that there would be no modification of the liability?

THE PRESIDENT: No.

Q You still feel the same way?

THE PRESIDENT: I did not say there would not be any modification of the liability features; on the other hand, I did not say there would be a modification of the liability features. It goes both ways. That is literally all the news there is in it.

Q I gather that the Act will not be weakened in any way at all.

THE PRESIDENT: I don't think it will in its purpose and objective. I don't think there is a chance of its being weakened.

Q Mr. President, would you care to discuss stock market regulation?

THE PRESIDENT: I haven't looked into it at all. I have not discussed it with anybody for several months. I probably will talk with some of the Senate people. Senator Fletcher came in here the other day and the only subject we discussed was the Trans-Florida Canal.

Q Did you reach any decision on that?

THE PRESIDENT: No. The Trans-Florida Canal situation is this at the present time: I am, personally, very keen about a canal across the northern end of Florida, a ship canal, and the War Department brought in a preliminary survey, I think it was last July or August. Their survey was for a 35-foot canal. But the cost was so high that in all probability it would not have been self-sustaining, in other words the revenues from the ships using it would not pay the interest and amortization on the cost of the canal. I am most anxious, if we can do it, to build a ship canal down there which will liquidate itself.

Therefore, the whole thing went back to the War Department to see whether they could re-survey it and build a canal at a substantially lower cost.

Of course, the more they can cut off from their original estimates, the more it will come close to paying for itself.

Q Have you any recollection of the figure?

THE PRESIDENT: Yes, as I remember it, it was about 125 or 130 million dollars. It was for a 35-foot canal throughout and one of the questions we raised was whether it would not be possible in the first instance, in the building of it, to make it a 30-foot canal with 35 feet for the locks so that eventually, when we get larger ships going to the Gulf ports, we can deepen it to 35 feet. At the present time there are very few ships that go to Gulf ports that draw more than 27 or 28 feet -- practically none.

Q Does that link up with the Inter-Coastal Canal?

THE PRESIDENT: Yes, but of course the two things are entirely different in their purposes. The Inter-Coastal Canals are only 9 feet in depth. It would mean that your shipping in canal boats or small barges drawing less than 9 feet, would use this Trans-Florida Canal to get from the Atlantic into the Gulf.

Q Mr. President, can you give us anything new on the Cuban situation?

THE PRESIDENT: No; I asked Phillips about it yesterday and he said there wasn't any news.

Q Mussolini has suggested that the Covenant of the League of Nations be revised in order to make it easier for the United States, among other nations, to join it. Have we given him any grounds for belief that we would be prepared to do so?

THE PRESIDENT: No, no indication on the subject at all.

Q Can you tell us whether you intend to say anything later on about lynching, such as recommending legislation for anti-lynching?

THE PRESIDENT: I cannot tell you anything at this time. That will have to remain a closed book for a little while longer.

Q Can you give us any indication of what the attitude of the United States Delegation at Montevideo will be towards the proposal for a six-year moratorium on all debts?

THE PRESIDENT: I think it has been made very clear on that, that it is primarily a subject between the Republics which have sold bonds to investors outside of their own borders, between them and the investors. In other words, the easiest way of putting it is that the United States is not owed any money by any of the South American republics and it is therefore a matter between those republics and any of the bondholders, the holders of their bonds.

Q Did the survey of the economic situation that you were supposed to make in the meeting yesterday reveal anything? Is there anything you want to tell us?

THE PRESIDENT: No, we did not even get charts yesterday. Conditions were about the same as the previous week, so the Interpreting Economist did not give us any charts.

Q Anything on the CWA?

THE PRESIDENT: Well, of course there is tremendous enthusiasm for it all over the country and it is doing an awfully good job. There were 2,000,000 men actually put back to work last Saturday and there will be 3,000,000 men at work this coming Saturday, and we really expect to get it up to the 4,000,000 mark by the 15th of the month.

Q Can you tell us anything about the establishment of a Missouri Valley Authority, like the Tennessee Valley Authority?

THE PRESIDENT: No, I have not had a chance to talk to Senator Norris about the Missouri Valley. As you know, the whole Mississippi watershed, with the exception of the Tennessee watershed, has been placed under this new Mississippi Valley Commission, which is an unpaid Commission that takes the place of the old lame-duck commission. Perhaps I should not characterize it as that -- strike it off the record. That Commission will cover the entire watershed, all the water that runs into the Mississippi Valley.

Perhaps the time has come -- I don't know -- for the creation of a special Missouri Valley Authority; on the other hand, it is such a very big project that we are not quite ready for it yet. I have not had a chance to talk to Senator Norris. From what I know now, I should not oppose the creation of a Missouri Valley Authority but it is such an enormous Valley and covers such an enormous extent of territory that, frankly, I don't know whether we are quite ready for it.

Q Any chance of linking that with a Columbia River Authority?

THE PRESIDENT: That is separate entirely.

Q Have you expressed any opinion on a similar scheme for the Arkansas Valley?

THE PRESIDENT: That is exactly in the same condition. It is an enormous territory. It runs clear up to the middle of the Colorado.

Q A bill is being prepared for it?

THE PRESIDENT: Yes.

Q Mr. President, have you given any thought to the proposed New York Subway loan which the RFC seems a little loathe to grant?

THE PRESIDENT: I have not talked to Secretary Ickes about it at all. Of course there are two questions: One is the security that would be given to the Government for the subway funds and the other question is which is the most important, the subway or the other project for sewage disposal? I doubt whether we have enough funds to do both subway and sewage disposal.

Q Mr. President, have you any feeling that perhaps the States in their gallonage tax on liquor are going to defeat the purpose of this Repeal by boosting prices so high that the bootlegger will continue to flourish?

THE PRESIDENT: I have not heard what the various State proposals are.

Q They run from $1.10 to $2.00 a gallon.

THE PRESIDENT: I think I said at the last conference that I am inclined to look very favorably on the subdivision of the taxes so that the bottle tax should be levied by the Federal Government and the occupational tax should be levied by the State. That is the simplest way of doing it. Now, whether that can be worked out by a gentleman's agreement, I don't know.

Q Unfortunately they seem to have invaded the other field.

THE PRESIDENT: Yes.

MR. STORM: Thank you, Mr. President.

(The Press Conference adjourned at 11.05 A.M.)

CONFIDENTIAL
Press Conference #76
Executive Offices of the White House
December 8, 1933, 3.40 PM

THE PRESIDENT: I haven't any news at all.

Q Mr. President, are you contemplating in your message to Congress to advocate the repeal of the 15% pay cut to Government employees?

THE PRESIDENT: There hasn't been any decision on it and, in fact, no serious discussion on it because we haven't any figures from the Labor Department, and until we get some figures from the Labor Department we cannot make any recommendations.

Q Mr. President, because of the rapid expansion of the emergency organizations, practically all space in Federal buildings is now occupied. What is your policy regarding finding more room for the bureaus, and what have you told Mr. Ickes about the Interior Building?

THE PRESIDENT: We talked about that subject in Cabinet meeting and what we hope is -- and this is only a hope because we have no definite study on it yet -- that the new buildings, when they are occupied this coming Spring and Winter, the new Department of Justice Building, the new Labor Department Building, the new Post Office

Department Building, that that will affect enough space to take care of all of these emergency agencies. However, we have asked the Director of the Budget to find an expert to make a complete list of human beings and cubic feet, where the people are, where they have to go to, what departments they belong to, and so forth, and we are going to have an immediate and quick study made of it so that we will have a pretty complete picture of the future before the first of January.

Q Have you told Mr. Ickes anything special about a new Interior Building?

THE PRESIDENT: No.

Q How about a new State Department Building?

THE PRESIDENT: State, Navy and War -- on all those things I had a long talk with Ickes yesterday, also Mr. Moore of the Fine Arts Commission. We are working on a plan and that is far as we got.

Q If you do have a new Navy Building and a new Interior Building, will that money come mostly out of PWA funds?

THE PRESIDENT: No, it will have to be appropriated.

Q It could not come from PWA funds?

THE PRESIDENT: No.

Q We understand that the Secretary of the Interior has offered the Secretary of Commerce an ante-room in which he --

THE PRESIDENT: The Secretary of Commerce needs an ante-room? (Laughter) You know, I have not been all the way around the Department of Commerce Building yet. I started to go a couple of afternoons but did not get there; I did not have enough time.

Q You still have three more years, Mr. President. (Laughter)

Q As you know, Mayor-Elect LaGuardia is down today in an effort to get the money for the Eighth Avenue subway. Is there any change in your ideas on that?

THE PRESIDENT: I have not talked to the Secretary of Interior about it at all. I hope to do it a little later on.

Q Do you think there will be any chance of getting to it today?

THE PRESIDENT: I doubt if there will be a chance.

Q We have another Philippine Independence Commission coming down. Have you formulated any ideas?

THE PRESIDENT: Heavens, no; I have not talked with any representatives yet. I am going to see them next week.

Q One of the Latin American countries has proposed at the Pan-American Conference that tariffs be restored to the 1928 level for a period of five years. What do you think about it?

THE PRESIDENT: I did not even know it.

Q Mr. President, Mr. Welles has had a conversation with the Grau San Martin government in Cuba lately. Is there any change in our aspect toward the Cuban situation at all -- any change in our policy?

THE PRESIDENT: No. I spoke to Phillips at Cabinet meeting and asked him whether he had heard anything about the talk that same day with Grau San Martin and he said that he had had a dispatch come in this morning. It is somewhere in the ante-room. I have not read it yet. However, he told me that there was no change in the situation.

Q Can you throw any light on the agricultural situation, Mr. Peek's controversy with some of the members of the Department?

THE PRESIDENT: No; haven't heard anything about it today.

Q What about yesterday?

THE PRESIDENT: You knew more about it than I did.

Q Can you tell us what the status of Mr. Peek is?

THE PRESIDENT: He is the Administrator of AAA.

Q He is?

THE PRESIDENT: Yes.

Q Can you tell us if he is going to remain there?

THE PRESIDENT: I hope so.

Q Mr. President, can you tell us anything about the conference this afternoon that you are going to have with the movie people?

THE PRESIDENT: Oh, heavens, is that this afternoon?

Q Yes, sir; four o'clock.

THE PRESIDENT: I don't know anything about it except that they asked for it.

Q Can you tell us anything about your talk with Trippe this morning? He came in with Whitney.

THE PRESIDENT: That was merely to show me pictures and plans of the Airways for expansion across the ocean and out in the Far East, et cetera. It is just to tell me all about their plans.

Q Relating in any way to Lindbergh's travels or trips?

THE PRESIDENT: Of course you would have to ask Trippe about it because he told me various things that Lindbergh had reported about the northern route and he hadn't heard about the southern end of it. I think you will have to get it from Trippe.

Q Anything to say on the monetary policy?

THE PRESIDENT: No.

Q Is Mr. Bruere leaving his work here today?

THE PRESIDENT: I don't know if it is today. He is leaving, I think, this week to go back. That was, as you know, arranged from the very beginning, when he first came here. I am sending a letter to his bank to thank him for what he did. As a matter of fact, it was an awfully good job he did in coordinating a great many of the activities and in making surveys that I did not have the time to make myself. He actually stayed over three weeks longer than I had expected in the beginning and I am sending a letter to the Trustees of the Bowery Savings Bank, expressing my grateful appreciation for allowing me to borrow him.

Q Mr. President, has a position been offered to Mr. Peek to take charge or to try to stimulate agricultural exports by the State Department or any other agency?

THE PRESIDENT: No.

Q Has any position been offered to Peek?

THE PRESIDENT: Really, this is not a cross-examination. (Laughter)

Q What did Carlisle come to see you about?

THE PRESIDENT: Floyd came in -- I don't know, but I don't suppose I had better say anything about what he came in to see me about because it would start all sorts of dope stories. It related merely to the general subject of codes for the electric utility industry and we talked about a great many phases of proposed codes. He talked about the relationship of privately owned companies to municipal plants and things of that kind. It was really only a preliminary conversation. I certainly am not going to tell you what I told Floyd.

Q Will you tell us whether or not St. Lawrence came up in that connection?

THE PRESIDENT: Yes and no. We talked in general terms about the four yardsticks, of which St. Lawrence is one.

Q Can you tell us in what connection Ivy Lee was here today, sir?

THE PRESIDENT: I don't think I can. I think you will have to talk to Ivy about it. It would be violating a confidence.

Q If you did make some specific recommendations for new buildings, would they be in conformity with the Newman plan?

THE PRESIDENT: I don't know enough about the plan to tell you.

Q Would you follow the recommendations of the Fine Arts Commission?

THE PRESIDENT: Yes, absolutely; I don't know whether it would be the previous recommendations, however.

Q That is Dr. Moore's favorite plan (evidently referring to the Newman Plan). Would you follow his recommendations pretty closely?

THE PRESIDENT: I think, without any question, that the Fine Arts Commission and ourselves would agree on any plan which might call for modification of the old plan. That is perfectly possible but, in any event, I am quite sure that the Fine Arts Commission and the Administration will agree one hundred percent on whatever we do.

Q Are you considering the establishment of an export corporation for finding outlets for farm and other commodities?

THE PRESIDENT: No.

Q Mr. President, can you tell us anything about the visit of Governor Myers?

THE PRESIDENT: Oh, just the usual check-up, that is all. The same way as I always did with Henry Morgenthau.

Q There was a story printed two days ago or three days ago, on December 6th, that the Administration was letting it be known privately that the Johnson Bill, which is pending in Congress, might be recommended for passage if there were further defaults of foreign debts. That is a very vague bill which will prohibit the sale or purchase of foreign securities.

THE PRESIDENT: The only thing I know of is what I read in some paper. I never read the bill itself. I don't know what it is. Is it absolutely a prohibition on the sale of foreign securities?

Q It is a prohibition on the sale of securities of foreign governments whose securities are in default, or any subdivision thereof. In other words, it would affect the French Government.

THE PRESIDENT: How about private firms?

Q No, not private firms.

Q You spoke of the St. Lawrence being one of the four yardsticks. What are the others?

THE PRESIDENT: Muscle Shoals, Boulder Dam, and the Columbia River.

Q Would you care to tell us anything about extending the CWA beyond what it is now?

THE PRESIDENT: I don't think we are ready on that story yet.

Q Will it be possible to finance it beyond that time?

THE PRESIDENT: We have not any money at the present time available to finance it beyond that time and that is why I do not want to break the story in partial form. Harry Hopkins is working on it and I think you had better keep this off the record because it is better not to have a partial story. I can tell you, off the record, that both Hopkins and I feel that we have to -- of course February 15th is still Winter time and we will have to carry it on for perhaps a month. This is just the tentative status of it. We will have to carry it on for perhaps a month at full strength and then begin to taper off, beginning in the South and working up from the southern zone to the intermediate zone and then on up to the northern zone and finishing it off entirely some time in the Spring, perhaps in May or a little earlier. It would be about the first of May in the South and about the end of May in the North.

Q Will you use PWA funds?

THE PRESIDENT: We haven't any money.

Q You still have a little money.

THE PRESIDENT: No, we won't have any money to carry out the program. We will have to go to Congress to get money for anything after the 15th of February.

Q This is off the record?

THE PRESIDENT: I think you had better keep it off the record because within another week I can tell you all about it and we might change some of the details.

Q Do you contemplate making any recommendations to Congress with regard to transmission lines of telegraph and telephone companies?

THE PRESIDENT: I don't know; haven't discussed it at all.

Q Getting back to the defaulting nations, have you thought of any action to be taken against them?

THE PRESIDENT: No.

Q Thank you, Mr. President.

(The Press Conference adjourned at 3.55 PM)

CONFIDENTIAL
Press Conference #77
Executive Offices of the White House

December 13, 1933, 10.40 A.M.

THE PRESIDENT: Steve (Early) have we any news today?

MR. EARLY: No, sir; I haven't a thing in the world.

THE PRESIDENT: I wish I could tell the story about you, but I can't.

Q On the record?

THE PRESIDENT: Not even off the record.

Q Anything on Steve should be on the record.

THE PRESIDENT: He might go to jail.

Q Fine.

MR. DONALDSON: All in.

THE PRESIDENT: The only news this morning I cannot tell you because it might mean that Steve would go to jail.

Q Steve Early?

THE PRESIDENT: Yes.

Q We hope it is nothing trivial. (Laughter)

Q Any local news this morning?

THE PRESIDENT: I don't think there is anything, not a thing. The only thing I could tell you that might be in the way of local news is about the Apex Building. Several people have protested against building the Apex Building at all on the ground that leaving the end of that series of buildings in the Archives

Building would look a lot better than sticking a sort of triangular building on the point of it, so I have asked the Fine Arts Commission to re-study the question as to whether an Apex Building should be built at all. I don't know why this even comes to me, because I am not an architect, but the theory is that the Archives Building represents one of the very few opportunities that architects have had in recent years to put up a pure Greek temple without any windows in it. (Laughter) It will be such a lovely thing that it would be a pity to hide it with an Apex Building.

Get your Arts Editor to write the story.

Q Can you give us any background on the statement of Secretary Hull at Montevideo yesterday and on the general plans which Peek is going to carry out for the building up of foreign trade?

THE PRESIDENT: I don't think there is anything that you do not know already. Of course the general thought is that -- this is for background -- that if we can take care of our surpluses in that way, it is going to aid in the general working out of the situation with respect to the agricultural surplus problem and possibly other surpluses.

Q Do you anticipate that the time is approaching in the near future for a general -- when a general reduction in tariffs will be either advisable or practically possible?

THE PRESIDENT: I would not put it that way because you can have an objective on that but, at the same time, not feel particularly optimistic about getting very far with it. At the present time, under the present world conditions, -- frankly, I think you had better keep this off the record or use it as background -- I don't think there is very much in sight except through bilateral treaties, which might be extended to take in a few other countries. But any general agreement among nations on tariffs today is pretty slim as to prospects for the next few months.

Q What is the situation with regard to the most-favored-nation clause? How far can it go in tariff trading without infringing on the most-favored-nation clause?

THE PRESIDENT: Have you had anything on the Colombian Treaty yet?

Q Not yet; no details.

THE PRESIDENT: I don't know whether I can say anything about it. At any rate, the Colombian Treaty has been finished and the Treaty is a straight reciprocal treaty with Colombia, but it has in it the clause that if any other nation wishes to do the same thing, they are at liberty to do it.

Q Last week you said a little bit about the future of CWA and said off the record that perhaps in a week there might be some information on that. Have there been any developments?

THE PRESIDENT: On the CWA, Hopkins assured us yesterday that he would carry out the plan on scheduled time and that there would be four million people at work this coming Saturday, which is pretty good.

Then, on the Spring end -- the tapering off that we were talking about -- I can't give you the actual figures because I haven't them here. Hopkins brought them in and it involves starting the tapering off on the first of March and then, by climatic zones, carrying that through so that we will have ended the tapering off about the first of May, somewhere between the 15th of April and the first of May. The actual details of the zones I don't know enough about.

Q Does that mean that all work would cease on the first of May?

THE PRESIDENT: Between the 15th of April and the first of May.

Q That would be by the time the Public Works Program would be in full speed?

THE PRESIDENT: Of course they won't absorb as much as the CWA would let off. On the other hand, you have the end-of-Winter outdoor employment picking up about that time, so that the combination of Public Works plus the advent of Spring we hope will substantially take up the four million people.

Q There has been a lot of talk in the papers the last couple of days about ending the Public Works Administration and a lot of other things. Is there any suggestion that you will ask Congress for more money for Public Works?

THE PRESIDENT: No, the Post and the Herald Tribune to the contrary notwithstanding. (Laughter) In other words, when we come down to this -- let us make this off the record entirely -- on this budget thing, it is nothing new because I went through it for four years in Albany and you people who were in Albany realize that every year we had all sorts of perfectly fool stories go out about the budget. It takes, really, people who are expert -- well, for instance, Bill Grimes would be all right on a thing like that but very few Government officials and very few members of the Press can write intelligent stories about the budget unless they put in an awful lot of time on it, as we discovered in Albany.

The present situation is really this: What we are trying to do in the first place, and that is as far as we got in yesterday's conference and the day before, was to try to check up and find out how much the expenditures would be on the balance of this year on appropriations already made.

Just to give you an example, off the record, of the difficulties, we haven't yet got the right kind of an estimate -- one that we can count on, on what the RFC will call on the Treasury for between now and the first of July. We don't know how much Farm Credit -- how much Home Loan will call on the Treasury for between now and the first of July. That is a problem of financing -- in other words, raising the money. We are still just working up those figures. We are a million dollars one way or the other. We haven't got it definite enough so we can tell within a million dollars.

Q You mean a billion dollars?

THE PRESIDENT: I mean a billion dollars; yes, a billion dollars. (Laughter)

Then you come down to the second phase, which is the 1934-5 appropriations and there we undoubtedly are going to have a surplus of revenues over normal expenditures of the regular operations of the Government.

Now, there isn't any question of a dispute or a row such as we have read about. Douglas' job is to prevent the Government from spending just as hard as he possibly can. That is his job. Somewhere between his efforts to spend nothing and use this entire prospective surplus to pay off past debts or to finance the things that were appropriated last year, like the second year of Public Works -- between that point of view and the point of view of the people who want to spend ten billions additional on public works, we will get somewhere, and we are trying to work out a program. It will probably be two or three weeks before we work it out. We will undoubtedly have more revenues than ordinary expenditures.

Here is another thought which comes to me: It is not a political question but a social and economic question as to how much will we have to spend to keep people from starving. It is not political and it is not wholly financial. It has a financial aspect only from the standpoint of how much money the Government can raise. Suppose, for the sake of argument, that the social end of it -- just as an illustration, not because we have any intention of deciding one way or the other -- suppose the Government decided that this coming Congress ought to appropriate another billion dollars for public works, as a social necessity. Then you would come down to the second question. Can we raise it? If it is a social necessity and in one way or another we can raise it, we ought to go through it. And, Heavens, we are a couple of weeks away yet for any decision on things of this kind and, actually, we may not make a final decision on additional public works until well along in the Session because nobody can make a final guess on what conditions of employment will be, let us say, in February. I don't know. I hope there will be a great deal more re-employment through the course of the Winter, but I don't know. We might put in a pretty low estimate for new public works but, on the other hand, if things get a bit worse during the Winter we might have to get more money.

Q The same thing applies -- the same thing may prevail in Civil Works in May -- it is a social condition.

THE PRESIDENT: Right. Of course, the chances are, I guess, pretty good about that because in the Summer time you don't have the same suffering and same problem of feeding people, or housing or clothing them as you do in the Winter.

Q Do you figure that four hundred million will see us through to the end of the tapering off period?

THE PRESIDENT: Oh, no. That will carry us through the 15th of February. We have got to get from the Congress, as soon as they convene, enough additional money to carry through to the first of May, the end of the tapering off period. Now, what that sum will be, I don't know. If you want me to make a guess on it, I should say somewhere around 350 million dollars.

Q Do you expect that the 400 million will carry us through the 15th of February?

THE PRESIDENT: That is right. I might say, also, that Harry Hopkins said that the cooperation of the states and the municipalities is excellent, a great deal better than he had expected. They are doing their share.

Q On the budget balancing, can't we use that as background?

THE PRESIDENT: Yes; I think so.

Q Can you give us some background on foreign debts?

THE PRESIDENT: Foreign debts? You don't need background there; you have the facts.

Q They are just debts.

Q Are we going to do anything on France, telling them to come across?

THE PRESIDENT: No, what can we do?

Q Just go to war. (Laughter)

Q Tell them they can't sell us champagne.

Q In the recent White House conference, was there something looking toward a merger of communications companies -- anything on that?

THE PRESIDENT: That is one of the things we have been studying of late. The whole communications problem is a pretty involved one. The Government has got to get a policy. We haven't any communications policy at the present time.

It falls into really four fields. The first three relate to the domestic field and the fourth relates to the foreign field. In the domestic field are voice communications by wire -- that is the telephone; symbol communication by wire, which is the telegraph; and voice and symbol, which is radio.

Now, there has never been any coordination between those three things and there are a great many schools of thought as to whether, in debating a public policy, we should encourage monopolies in the fields where there are not monopolies, and whether we should put the monopolies under strict government regulation. Under present conditions, the American Telephone & Telegraph Company has a monopoly of 95 per cent in the voice field, but they have never been regulated. I ought to know, because I had the famous telephone case while I was Governor, which was in court for seven whole years -- a perfectly silly performance.

Then you have the question of the telegraph companies -- you have the Postal and Western Union with a duplication of service all the way through, and then we have the radio which is a sort of young and forgotten child.

Then, in the foreign field, the suggestion is made that all foreign communications, whether they be by cable or voice radio or symbol radio, should all be brought into relationship with each other and make one picture out of the whole foreign field.

That report has been made in tentative form -- only tentative form so far -- by this Committee of the Department of Commerce and the next step will be to talk with the two Chairmen up on the Hill, Sam Rayburn and Clarence Dill. It is only a tentative report without any final recommendations and we will take it up with the Committees before we have a final policy.

Q Mr. President, does that tentative report favor a merging, for instance, of the Postal and Western Union, or the merging of --

THE PRESIDENT: No. It sets forth the three possibilities: First, to let things drift the way they are; second, to allow monopolies under very strict regulation and the third is, failing either one, Government ownership. But the tendency seems to be to recommend the second course.

Q Have you reached any decision on it yourself?

THE PRESIDENT: No.

Q Is there anything you can say regarding the modification or clarification of the Securities Act?

THE PRESIDENT: I have not heard a peep about it for two weeks.

Q The Chairman says that if there is anything, it will be clarification rather than modification?

THE PRESIDENT: I would use the word clarification instead of modification. I think that is good.

Q Can you tell us how far your plan goes for revision of the Treaty with Cuba, particularly the Platt Amendment?

THE PRESIDENT: I have not done a thing on that except what I said in Warm Springs. You remember that statement in Warm Springs. I have no new information except what I read in the papers. Evidently what happened the day before yesterday, when Sumner Welles saw the President, the President said something to him -- I don't think that Sumner initiated the conversation -- said something to Sumner about the possibility of the modification of the existing treaty and I think that Sumner's answer was in the words of my statement from Warm Springs and I think that is as far as it has gone.

Q Mr. President, is there any talk of reopening or renegotiating any phase of the St. Lawrence Waterway Treaty?

THE PRESIDENT: Not that I know of.

Q The Mississippi Valley Conference at St. Louis stated that there was consideration of some such renegotiation?

THE PRESIDENT: Not that I know of. The only thing I can think of on that, that you might have heard, is that there was some thought on the part of the Chicago and Illinois people with respect to the present clause in the Treaty. That clause, as I remember it, says that if the amount of water allocated to the Chicago Drainage Canal proves to be insufficient -- something along those lines -- that then we would have the right to ask for arbitration on an additional amount. Some of the people do not think that that language is quite clear enough, although they go along with the general purpose of it. As far as I know, there is no definite plan or proposal to change the present language because the other side believes the present language is sufficient.

Q That could only be done if Canada consented?

THE PRESIDENT: Yes, that could only be done if Canada consented.

(The Press Conference adjourned at 11.00 A.M.)

CONFIDENTIAL
Press Conference #78,
Executive Offices of the White House,
December 15, 1933, 4.05 P.M.

THE PRESIDENT: Stevie (Mr. Stephenson), how are you, all right?

Q (Mr. Stephenson) Fine, thank you.

Q (The President was lighting a cigarette and some sparks dropped to his clothes.) Every President is used to playing with fire. You won't burn up.

THE PRESIDENT: When I was two years old I was discovered on the floor burning matches. Perhaps that was a prophecy.

Q I won't say anything about it.

Q I don't know (whether I will or not).

THE PRESIDENT: Well, what is the news?

Q I wish to ask you a question about that State Department release you have on the desk.

THE PRESIDENT: Steve (Mr. Early) said you were going to. If you won't connect the White House up with this, I will give you the background on it. It is in that kind of diplomatic language that nobody can understand. It does not say directly one thing or the other but there are two sentences in here. The first is that "The French Government has never contemplated the unilateral violation of undertakings freely entered into," and that is saying that when the French Government has made a bilateral contract between itself and one other government, it has never violated it. Then it goes on into the next sentence and says, in perfectly foggy language, something to the effect that decisions were taken on both sides in 1931 and 1932, which modified conditions that formerly existed.

Well, that is a unilateral statement on their part. I take it that certain things they did over there at Lausanne had changed conditions. Of course that does not bind the United States in any shape, manner or form. In other words, our position has not altered at all.

Q Do you construe those dates, 1931 and 1932, as relating to the Hoover moratorium?

THE PRESIDENT: It is just guess on my part, but I should say so, offhand.

Q Any suggestions in there of an agreement with President Hoover and Secretary Stimson with regard to what the countries might do if the powers remitted (omitted?) reparations?

THE PRESIDENT: Not that we were able to find out.

Q We were not able to find out anything from the communiques the night Laval left town either.

THE PRESIDENT: The only answer is that our position does not change a bit.

Q There is a story in New York today that General Johnson is shortly getting through and is to have a new job very likely having to do with national defense.

THE PRESIDENT: I think he has a long time on his present job.

Q Will we reply to the French note?

THE PRESIDENT: I think it has been replied to. Yes, just acknowledged.

Q Has the name of C. V. Terrell, of the Texas Railroad Commission, been submitted to you or under consideration for appointment to the Interstate Commerce Commission?

THE PRESIDENT: Not that I know of. Have you seen anything, Steve

(Mr. Early)?

MR. EARLY: No, sir.

Q There are some terms expiring the end of the month. Are you going to appoint Democrats for them?

THE PRESIDENT: I have not thought about it at all. I have not considered it one way or the other. It is like the District Commissioner. I have a number of vacancies in the right-hand drawer and have not thought of them.

Q When is it going to be filled?

THE PRESIDENT: Soon, I hope, "Hope springs eternal . . . . ."

Q A number of the candidates are waiting anxiously. (Laughter)

Q Anything in the reports of projected taxation on radio reception, probably through taxing the conductor tube in radio sets, which would tax listeners?

THE PRESIDENT: I have not heard anything about it. That was considered last year in the Committee in Congress.

Q We have no new reports?

THE PRESIDENT: I have not heard anything more about it.

Q Anything more about the conferences last night with Morgenthau (Henry Morgenthau, Jr.) and Mr. Black (of the Federal Reserve Board)?

THE PRESIDENT: Just the usual checkup. We do it all the time. Nothing new. The same way George Harrison either comes down or telephones every five or six days.

Q How about Kent?

THE PRESIDENT: Harrison wasn't in on the other. Kent, the same thing; I see Kent occasionally. Really, the principal objective of all these conferences might be called the education of the President. I think that is the easiest way of putting it.

Q And the Press. (Laughter)

Q There are some reports that there was a consideration of new moves in foreign exchange and foreign gold markets?

THE PRESIDENT: That is just more spinach.

Q More what, Mr. President?

THE PRESIDENT: I said spinach.

Q I wanted to get it straight, for the record. (Laughter)

Q Can you tell us whether or not Welles (Sumner Welles) has --

THE PRESIDENT: (interposing) Sumner is waiting outside for you people to go away. I have not seen him yet.

Q Do you care to discuss a report printed today that you are espousing a series of state N.R.A.'s in connection with the National N.R.A.?

THE PRESIDENT: That is just a Christmas story.

Q Mr. President, have you given any thought to this new steel ore tie-up with the Weirton people?

THE PRESIDENT: I saw Hugh Johnson this morning and talked over the Newspaper Code with him but forgot to ask him about the Weirton thing.

Q Can you tell us about the Newspaper Code?

THE PRESIDENT: (No answer)

Q You get the Press Associations' Code too, today?

THE PRESIDENT: No. I suppose this had better stay off the record because it is a little premature and should come from Johnson anyway. My general thought was that the A.P., which was organized as a Duck Club, or something like that --

Q (interposing) What? (Laughter) Duck Club? (Laughter That is one on me. I feel like a goose a lot of times.

THE PRESIDENT: Country Club, perhaps. In any event, it was not organized to do anything with the press -- some entirely extraneous subject -- and apparently the Press Associations have done nothing about coming under the Newspaper Code at all. I made the suggestion for General Johnson that, instead of trying to have a special code of their own, they should voluntarily adhere to the Newspaper Code.

I think you had better keep it off the record because that is as far as it has gone. It probably would be the simplest way out, but I have been talking with Henry Brown and others about the definition of what a news gatherer is and I think we are going to get something on that.

Q Anything about the bankers who have just left?

THE PRESIDENT: Just to talk over the general point of view of the officers of the American Bankers' Association towards the insurance problem and a number of other problems. They are going to hold conferences from time to time, when they say there will be -- they have been most cooperative in everything and they said that they want to make it possible for the Government to get, without any difficulty or red tape, the point of view of the Executive Committee and the officers of the American Bankers' Association at any time they want it.

The only thing that might be said to have been tentatively decided on is that this insurance fund (F.D.I.C.) should probably be pretty well left alone during this session of the Congress so that we could see how it works. We need to check up on the experience, actual experience under the fund, leaving open for the time being the question of the unlimited liability of banks to be assessed toward that fund. That is something we might take up in this session because, at the present time, it is pretty vague as to how much the bank could be assessed for.

Q Have you anything on the publicity in connection with income tax returns?

THE PRESIDENT: Not a thing.

Q Have you selected anyone to succeed Francis White as Minister?

THE PRESIDENT: No; I have not taken it up at all.

Q General King was here, visiting, today. Can you tell us something -- whether he is going down to Panama?

THE PRESIDENT: He wanted to say, "How do you do."

Q There are reports that consideration is being given to the establishment of a free gold market. Is there anything on that?

THE PRESIDENT: No, just another one.

Q Also that consideration is being given to increasing the amount of securities that the R.F.C. can exchange for purchases of newly mined gold?

THE PRESIDENT: Well, they were given -- I have forgotten whether they were given authority or whether they passed a resolution in the first instance and that amount was -- I could not tell you the amount but, the original resolution, whatever the amount was, they bought up to the amount and then passed another one for a similar amount. The second might be called a second appropriation. That is all.

Q Wasn't that original amount $50,000,000. in notes?

THE PRESIDENT: I think it was $25,000,000., but I am not sure.

Q Their Circular 12 says $50,000,000. and they have not bought that much worth of gold with those notes.

THE PRESIDENT: You will have to check on it. My impression was that the first amount was $25,000,000. and then they passed a resolution for another $25,000,000. Anyway, they have just begun to dip into the second amount.

Q Getting back to the Newspaper Code, will this proposition involving the Press Associations hold up the Newspaper Code?

THE PRESIDENT: Oh, no, not a bit.

Q Is the Newspaper Code about ready?

THE PRESIDENT: I gathered it is pretty near ready to shoot. It has not come to me yet.

Q You say the Code has not yet come to you?

THE PRESIDENT: No.

Q Mr. President, did General Johnson discuss the liberty of the press feature in the Code?

THE PRESIDENT: No.

Q Mr. President, do we get a five-day week?

THE PRESIDENT: Not for weeks and weeks. I suggested writing a humorous foreword to my approval.

Q Has that got a five-day week in it, Mr. President?

THE PRESIDENT: No. No reason I should not tell you this off the record but, again, I would rather say nothing about it. As yet, the thing has not been drafted. What the organizers of the Code suggested was a five-day week and I suggested what might be called a compromise, that during the survey period, which would be a comparatively short period to get information we have not got now about the smaller cities, that we should, by mutual consent, or by request of General Johnson or myself, put in a five-day week in cities over and above a certain size. For instance, in New York quite a number of newspapers actually do have the five-day week. The Sun does not. I do not think the Herald-Tribune does.

Q The Times and the News have.

Q No, the Times has not.

Q The Record has, in Philadelphia.

THE PRESIDENT: The Record has in Philadelphia and the idea was to try to do it by a gentlemen's agreement in the bigger cities, pending a survey of the whole field to try to establish the principle of it.

Q Would that be for all classes of employees, the five-day week, throughout the newspaper organizations, or just the mechanical end?

THE PRESIDENT: I do not know on that. We were discussing primarily the reporter end of it.

Q They have got a five-day week for compositors by their own arrangement. They have had it for over a year.

THE PRESIDENT: We were only discussing the news gathering end.

Q Were you discussing the Washington correspondents? (Laughter)

THE PRESIDENT: I did, only in relation to the Press Association people in Washington. I think they are being run ragged, some of them.

Q He is looking at you, Stevie (Mr. Stephenson). (Laughter)

Q Is this retroactive, this five-day week? (Laughter)

Q Mr. President, will you issue another order on the A.A.A. Codes, showing what should go and what should not go to the N.R.A.?

THE PRESIDENT: No, there is nothing on that that I know of. I signed something this morning and cannot remember what it was. (Laughter) I do not think it was. Check anyway with A.A.A. (Turning to Mr. Early) Do you remember what it was?

MR. EARLY: I have not seen it.

THE PRESIDENT: You had better check on it.

Q Mr. President, we have varying rumors regarding a possible change in the setup of the Emergency Council. Anything you can give us on that?

THE PRESIDENT: Not yet. I have been talking with Frank Walker on it this morning.

MR. EARLY: As soon as the Director of the Budget and the Attorney General pass on the Executive Orders necessary.

THE PRESIDENT: There will be, probably, one Executive Order. You had better wait until you get it.

Q Will it come down today?

THE PRESIDENT: I do not know; I do not think so. The Attorney General has it now.

Q Thank you, Mr. President.

CONFIDENTIAL
Press Conference #79,
Executive Offices of the White House,
December 20, 1933, 10.50 A.M.

Q Good morning, Mr. President.

Q Any Santa Claus this morning?

THE PRESIDENT: No, no Santa Claus this morning.

Q Maybe a New Year?

THE PRESIDENT: Maybe a New Year. (Laughter)

MR. DONALDSON: All in.

THE PRESIDENT: I do not think there is any particular news except last night I signed the Executive Order that extends the General Code -- I do not mean the General Code, I mean the Blanket Code -- after the first of January. I dug up the Executive Order today and a statement that goes with it. I think they explain themselves. The important facts are that on the first of January the permanent codes will apply to approximately seventy per cent of all employees who will eventually be covered by codes. Of course there will be some employees who won't be covered by codes ever but by the first of January about seventy per cent of those who will eventually be covered will be in. The idea of the Blanket Code is that at this time of the year and especially the wintertime we do not want any letdown in trades or industries which at that time will not have any approved codes and we are inviting every employer to join in the extension for four months. It is hoped that by the end of the four months the other thirty per cent will be duly under codes.

Those who join with me in the extension may continue to display the blue eagle and the few employers, who have not signed the previous code and who will sign it as extended, will get the blue eagle so that the display of the blue eagle after the first of January by an employer whose business is not entirely covered by the approved code will be continued under the extension. In other words, anybody displaying the blue eagle after the first of January, we will consider that as an extension of the acceptance for four months.

I do not think there is anything else except I think it would be nice if I would express gratification at the end of the war between Bolivia and Paraguay, as I do.

Q We seemed to rouse the ire of the women by refusing to sign the Nationality Agreement.

THE PRESIDENT: Here is the situation: I think probably what I say on it had better be off the record for the very reason that the stories ought to break from down there, so, if you want, I will talk to you for a minute about the question, but make it off the record so it will help you in case stories do come from down there.

In the first place, most of the tempest in the teapot was occasioned by an erroneous dispatch from down there that every other American nation had agreed to sign and we were the only people who had not, which was not strictly true because only six or seven had signed and the others still had it under consideration.

The second cause of the tempest in the teapot was a misunderstanding up here of what actually took place down there. As originally introduced, there was a broad and general resolution of the

Conference which would have granted every form of absolute equality, both as to nationality and as to civil rights to women. Of course that immediately caused a flare-up in South American republics, as well as here, between what is known as the women's party element and the other element.

Promptly the original resolution was divided into two parts and that portion relating to civil rights was very quietly tabled and nothing more has been heard of it. The other half of it, that relates to nationality questions, stated in broad terms what essentially is the law of this country, more than any other American republic, because our nationality laws at the present, between husband and wife are substantially equal, except on one or two very, very minor points. The principal minor point, to show you how minor they are, it is still the law of this country that if an American woman marries a British duke, let us say, the offspring -- and goes and lives in England, the offspring are British. There are some people who take the position that the offspring of the American heiress and the British duke should have the opportunity, when they get to be eighteen or twenty-one years, of determining whether they want to be American or British. That is for determination by Congress as to whether Congress wants to change that law in particular. I do not suppose there are twenty cases in a century that would come up.

The position in this country as to this particular resolution and the position of Secretary Hull is very simple. It is only three lines. It says that the contracting states agree that from the going into effect of this convention there was to be no distinction based on sex relating to nationality. It merely had to do with the nationality laws and nothing else and we have made clear two things: The first is that we have actually in operation at the present time a committee consisting of the Secretary of State, the Attorney General and the Secretary of Labor, who are working on a modification of the nationality laws so as to simplify and put them together without any changes. Those laws grant absolutely no distinction between sexes. The Secretary of State told the conference that we were in process of doing just what this resolution wants to do and I think probably that we will not block its going through in any way but simply say something to the general effect that we are in process of doing it anyway and on these minor points it will be up to Congress to change the law. So I think that whole thing is now dispelled.

Q Anything new on the Coast Guard-Navy (merger)?

THE PRESIDENT: It is just being studied, that is all. The stories this morning were substantially correct. What is being studied on the Coast Guard-Navy is this, and no determination has been made -- I do not know whether it will go through or not: The establishment of the Coast Guard as a corps in the Navy Department, with its own officers and own promotions and its own everything, just like the Marine Corps, as an entirely separate corps. It should make for certain obvious savings. As far as personnel goes, it will run itself, just as much as the Marine Corps does. There will be obvious savings, such as the Naval Academy cadets, where we have a surplusage every year going back to civil life. They would come into the Navy, Marine Corps and Coast Guard. As to the Coast Guard Academy, the thought is that it would be used as the post graduate college for the Navy, Marine Corps and Coast Guard.

Q Mr. President, can you tell us when the budget will be completed?

THE PRESIDENT: Oh, heavens! I think probably about Wednesday; about a week from today.

Then, one more thing about the Coast Guard: Of course it would mean that if a corps of that kind would be under the Navy, that the operations would be under the Treasury; it would be assigned to the Treasury for all operating purposes because, obviously, in time of peace most of its functions, its operating functions, are Treasury functions.

Q In connection with this Coast Guard study, I know that quite a lot of the Coast Guard officers and personnel have been considerably worried about their promotions, especially in connection with this proposal to bring in the Navy Academy graduates as officers -- as officers in the Coast Guard personnel.

THE PRESIDENT: It would simply mean that the youngsters, boys of eighteen, who wanted to go into the Coast Guard, would go through Annapolis instead of New London.

Q It would not affect the numbers in promotion?

THE PRESIDENT: Not a bit.

Q To return to the ladies just a moment: You said that what would happen, we probably would not block this resolution going through down there. Does that mean that Secretary Hull would probably sign on behalf of the United States or simply permit it to go through without opposition?

THE PRESIDENT: No reason why he should not sign with that simple statement that the thing is almost before Congress now, with minor changes. We are so much further ahead that it cannot do us any harm.

Q Can we use that?

THE PRESIDENT: You cannot use any of it. I do not know what the exact status is or has been for the last forty-eight hours. After it breaks, it is all right.

Q Can you tell us anything about the session last night?

THE PRESIDENT: Just the usual.

Q Continuation of --

THE PRESIDENT: (interposing) Yes.

Q Mr. President, is there anything in the business employment figures as to which you can give us any background as to the business situation?

THE PRESIDENT: I think you will have to wait. I have got in here the charts from the interpreting economist. To tell you the honest truth, I have not even read them yet. They do not show much change, one way or the other. They are seasonal. They are all about the same. I think you had better wait until next week on that. I will try to have it for Wednesday morning of next week.

Q There is a furor over high whiskey prices. Anything on that?

THE PRESIDENT: No. (Laughter) I concur that they are very high. (Laughter)

Q Don't you think we ought to get better and cheaper whiskey?

THE PRESIDENT: That is a good slogan from the Associated Press (referring to the fact that Mr. Stephenson had made a suggestion).

(Laughter)

Q Will the Emergency Council supersede or take the place of the so-called Labor Board in the National Recovery Administration?

THE PRESIDENT: That old Board is out, abolished.

Q In other words, the Emergency Council takes over the whole of the so-called Labor Board?

THE PRESIDENT: Yes.

MR. EARLY: I do not think that Board is abolished until January sixteenth.

THE PRESIDENT: January sixteenth it goes out because we haven't the machinery -- the other machinery won't be in practical effect until January sixteenth.

Q Does the Council have charge of enforcing the N.R.A. Codes? Does it have any duties in that connection?

THE PRESIDENT: Yes. When I say the Council, it will be the State Directors who will handle that. In other words, this Council here, the meetings every other Tuesday will be primarily -- it will be a small party, smaller than the Executive Council and so small that we will be able to sit around the table and discuss things on the agendas of the Emergency Council. In other words, the directors of the states will work under Frank Walker as the main head but, at the same time, they will have a lot of other functions. When it comes to enforcement, they will report directly to General Johnson. When it comes to farm credits, they will report directly to Myers. When it comes to home loans, they will report directly to Fahey, et cetera. But they will be under the general supervision of Frank Walker and, through the setup of this more centralized authority, we will get rid of a great crossing of wires, a great many overlapping functions and a great many functions of local boards and committees, and concentrate them into groups that will have knowledge of and information about everything within their own group. It is just a practical administrative business measure, that is about all it is.

Q Anything to say on gold today?

THE PRESIDENT: No. I wish I had brought over the thing -- you probably read it in the Sun last night -- the small boy who asked his father about gold. It is a perfect scream, one of the best things written yet. (Laughter) I feel like the small boy and the father both. (Laughter) The conversation is wholly inconclusive. (Laughter)

Q Can you tell us anything about reports that you will ask Congress for power to buy gold through some other means than through the R.F.C.?

THE PRESIDENT: I do not think there is anything in that at all.

Q Have you received any report from Peek (Mr. George Peek) on the new foreign trade?

THE PRESIDENT: No; probably won't until the beginning of the week.

Q Have you received anything or any compilation of those reports on the cost of living?

THE PRESIDENT: No, not a one.

Q Do you expect those in the near future?

THE PRESIDENT: I do not know; I have not asked Perkins (Secretary Perkins) about it for a couple of weeks.

Q Will the tariff reports go to this new outfit?

THE PRESIDENT: I suppose copies will.

Q I understand the sugar report is completed and ready for either the Executive Council or the Emergency Council?

THE PRESIDENT: I do not know where that goes; it will probably come to me.

Q Mr. President, I have had an inquiry as to whether you are going to discuss foreign relations when you talk or if you talk at the Woodrow Wilson Foundation at the end of this month?

THE PRESIDENT: Gosh, Stevie (Mr. Stephenson), I do not know. I have not thought about what I was going to talk about yet. (Laughter)

Q Anything on a governor for Hawaii?

THE PRESIDENT: No.

Q Will you give us the pleasure today of signing that order for a holiday over Christmas?

THE PRESIDENT: Yes. The authority for a holiday, I am going to sign that today?

MR. EARLY: Right.

Q Can you tell us anything about silver, the prospects of action?

THE PRESIDENT: I do not know; I have not talked about silver for some time. You knew that India had lived up to its agreement. That is the only news. They have issued the order for the purchase of their quota. I do not think any of the other nations have.

Q That is a suspicious looking container back there.

THE PRESIDENT: What goes into that?

Q Eggnog. (Laughter)

CONFIDENTIAL
Press Conference #80,
Executive Offices of the White House,
December 22, 1933, 3.10 P.M.

MR. DONALDSON: All in.

THE PRESIDENT: I just wanted to be quite sure so I stood up today so that I can see who is present at the Press Conference -- I never know otherwise -- also so that I can wish you all a very Merry Christmas.

Q Same to you.

THE PRESIDENT: I suppose you want to know about silver?

Q You put one over on us, didn't you, Mr. President?

THE PRESIDENT: Perhaps, off the record, that is the result of stopping Treasury leaks. I think you know, really, all there is. I think the real feature of it is the fact that for the first time in world history, so far as I know, the nations of the world have got together on one of the two great mediums or bases of currency. It is a very hopeful sign and we hope that it will be extended to other bases of currency some day.

Of course this country, in fact the world since history has been written so far as I know has been on a bimetallic standard. All through our own history both silver and gold have formed the basis of currency.

Q Are the purchases of silver limited to 24 million odd ounces?

THE PRESIDENT: I have only heard what is stated by the proclamation.

Q It said at least 24 million. Do you anticipate that purchases will go beyond that?

THE PRESIDENT: That I don't know.

Q That is about the limit of our production.

THE PRESIDENT: About the same as production.

Q It is possible to take up all the domestic production?

THE PRESIDENT: It would be. As far as we can tell, domestic production may increase but that would not depend so much on silver as it would on other metals because somewhere around 60 or 65% of all silver we produce is by-product production. Suppose there is a greater demand for copper and the copper production of the country should increase. That, automatically, would increase the silver production of the country. That would be caused, primarily, by an increased demand for copper. It is a thing you can't guess at definitely. It depends to a certain extent on general economic conditions. But probably the increase, in any event, would not be very, very large. It might be another five or ten million ounces.

Q Would that be accepted too?

THE PRESIDENT: I don't know. We will have to cross that bridge when we come to it.

Q There was some talk on Capitol Hill this afternoon that there had been a leak on this announcement and it was supposed to be announced yesterday afternoon, and a letter is supposed to be sent to you by one Senator about it.

THE PRESIDENT: I think we kept it pretty tight.

Q Too tight.

Q We did, too. (Laughter)

Q Mr. President, do you anticipate that it might be possible to reduce the seigniorage charge?

THE PRESIDENT: That is another thing that we have not considered at all.

Q It would be possible?

THE PRESIDENT: Practically, we can make it anything we want.

Q Might you not operate with the silver prices the same as you do with the gold prices?

THE PRESIDENT: Oh, heavens, that is too much "if." The price of silver is fixed by law at $1.29.

Q You have authority to change?

THE PRESIDENT: No, I do not think I have authority to change.

Q You can change the coinage?

THE PRESIDENT: I can change the seigniorage. We have not considered that one way or the other.

Q What is this other basic currency you were speaking of?

THE PRESIDENT: It depends on where you are. On the South Seas it is shells with holes and other things. (Laughter) They use gold in some countries. (Laughter)

Q Mr. President, General Johnson had something to say about the C.W.A. as being under the wages of many of the codes?

THE PRESIDENT: You mean too high in some places?

Q Yes, sir.

THE PRESIDENT: I do not believe we can say anything about that because we are looking into it at the present time. We have not got very far into it. I do not think it is much of a story and I do not think we would do any changing unless it is shown to be distinctly out of line with what it ought to be.

Q Harriman (Averill Harriman) said he left a program on housing and slum clearance. Can you tell us anything about that?

THE PRESIDENT: He did not leave any program. He just verbally talked about the possibility of developing housing programs in various cities that needed it.

Q Mr. President, one more question on silver: Do you look upon this as inflationary, or relieving the silver mining states, or both?

THE PRESIDENT: That again, goes back to the old dictum that if you start defining inflation, we can talk about it for three hours and won't agree on it any more than the professors do.

Q Is it a monetary policy or a method of relieving the silver producers?

THE PRESIDENT: It is carrying out an international agreement.

Q Will this increase in the price of silver encourage production to a point where they will build up stocks of metal, other metals?

THE PRESIDENT: I don't believe so. That ought to be discouraged. In the copper industry there is an enormous surplus of copper which we are trying to get rid of and which the more expensive pound and franc during the past month or six weeks has helped us to get rid of, quite materially. Our copper exports since October have increased very heavily.

Q This is what the Democratic platform speaks of as a rehabilitation of silver, among other things?

THE PRESIDENT: I think so. It is a good idea. (Laughter)

Q How soon will the Secretary of the Treasury's tabulations become effective or be ready, do you know, Mr. President?

THE PRESIDENT: I do not know. They were working, I think, late last night and this morning. I think practically immediately. I imagine by Tuesday the various mints will be ready to receive.

Q Mr. President, has your attention been called to the strike situation in Philadelphia, the transportation strike situation?

THE PRESIDENT: Is that the truck thing?

Q Yes, sir; everything but the streetcars have been piled up. They are all out on general strike.

THE PRESIDENT: They have been striking or threatening to strike now for the last two or three months. It is largely, as you know, a matter of jurisdictional dispute, anyway, between the union that was organized under the Federation of Labor and one of the brotherhoods, the Brotherhood of Locomotive Trainmen, or something like that -- one of the railroad brotherhoods -- and what we are trying to do is to get the Federation union and the railroad brotherhood together. We have been quite successful on two or three different occasions. I don't know what the existing situation is. The Attorney General has been handling the thing with the Department of Labor and up to a couple of days ago it was going along all right.

Q Mr. President, there was some intimation from Madrid yesterday afternoon that Spain may ask us to intervene in Cuba on behalf of the Spanish policy?

THE PRESIDENT: I meant to ask Bill Phillips about it this morning and forgot to. I had not heard anything up to last night.

Q Do you care to comment on the Ways and Means Committee action today in fixing the liquor tax at two dollars?

(The President did not answer the question.)

Q Not even off the record?

THE PRESIDENT: No.

Q Returning to Madrid, isn't it unlikely that you will protect the Latin interests in Latin America?

THE PRESIDENT: This Madrid thing, according to the papers, was based on an entirely different thing. It was based on a clause in a treaty a great many years ago.

Q You mean the Platt Amendment?

THE PRESIDENT: Some treaty between Spain and the United States, according to one of the papers. Frankly, I do not know anything about it at all. I do not know whether it was in the original treaty of peace after the Spanish War. I will have to check on it.

Q Have you transmitted to the Congress, to the Ways and Means Committee, any recent recommendations on liquor tariffs?

THE PRESIDENT: No.

Q Are you still standing on the Department report?

THE PRESIDENT: I am not very familiar with that.

Q This movement in the Middle West to fix the price of hogs, has that come to your attention or not?

THE PRESIDENT: Is that something new?

Q About two weeks ago.

THE PRESIDENT: Not since the five governors were here.

Q About two weeks ago you were asked to fix the price at six dollars and I understand there is a meeting at Omaha today regarding it. The complaint is that the fixed price of corn has made it unprofitable to feed hogs and sell them at the present price. Have you any comments on that?

THE PRESIDENT: I have not heard about that at all. Of course the general thought when they put the corn-hog program into effect was that it would not be particularly effective until January or the middle of February. Nobody expected it to work out before that time.

Q We have been led to believe that this plan of Senator Frazier's --

THE PRESIDENT: (interposing) No, Senator Frazier came in the other day with some other gentlemen and they presented a program that has been talked about before, not only in the Northwest but other places, in regard to building up comparatively small industries for goods that would be locally consumed in the farm districts, especially relating to products that they themselves grow within the district and then have to ship a good many hundreds of miles for processing and then have to have them reshipped back to them in processed form. It is a very interesting possibility and I told them that we are interested in it but that we would have to have something concrete and definite and that the Federal Government certainly could not bear the whole cost of financing.

Q Does that mean it will bear part of the cost of financing?

THE PRESIDENT: Yes; in other words, if they set up some agency and showed their interest and good faith and faith in the project by putting in their own money and if they then needed a Federal loan on it and it looked like a good proposition, it would be a perfectly good thing for us to take a part in it.

Q If that same principle applied, it might apply to every state?

THE PRESIDENT: I have not heard any other state that talked about it. Of course it is a little bit along the line of what is being done with that $25,000,000. for setting up small experimental industries that use local products in farming communities. It all ties in. We have not got to any definite point on it yet.

Q Any comment on Dr. Lowell's hesitation about accepting appointment to the Motion Picture Code?

THE PRESIDENT: I do not know anything about it. Did he hesitate?

MR. EARLY: According to the press, he resigned.

THE PRESIDENT: I hope he will reconsider.

Q Has the tariff report on sugar reached you yet?

MR. McINTYRE: No, sir.

Q Any date been fixed for calling in the State Directors of the Emergency Council?

THE PRESIDENT: Do not call it a fixed date, but the week after the sixteenth of January.

Q When will they be appointed?

THE PRESIDENT: That I cannot tell you. I think they are going over the names now. Mac (Mr. McIntyre) says they have got twenty-eight to look at now.

Q There are stories being published that this is quite a political setup. Any comment on that?

THE PRESIDENT: I hope to goodness they will keep it out of politics.

Q Any tariff on beer?

THE PRESIDENT: What has happened to the beer?

MR. McINTYRE: I have not seen anything of that lately.

THE PRESIDENT: I sent it to somebody for a report; I could not tell you who it was. Maybe the State Department, maybe Peek.

Q Have you picked a successor to Interstate Commerce Commissioner

Brainerd? His term is up the last day of the year.

THE PRESIDENT: I have not made a decision yet.

Q. Merry Christmas, Mr. President.

THE PRESIDENT: Merry Christmas, thank you.

CONFIDENTIAL
Press Conference #81,
Executive Offices of the White House,
December 27, 1933, 10.45 A.M.

Q Good morning, Mr. President.

THE PRESIDENT: Everybody in? The only thing I can think of this morning would be to deliver a homily on gluttony; too much Christmas turkey.

Really, frankly and honestly, there isn't any news. I cannot tell you anything about the budget because it is in the state of being prepared. I cannot tell you about the Message to Congress because I have not started it. I am in the delightful position of knowing nothing.

Q Anything on the pay cut, the restoration of it?

THE PRESIDENT: No; I haven't any report yet.

Q And the appointment of the District Commissioners?

THE PRESIDENT: Jim Farley arrived this morning and came in to see me and we have a tentative date for some time in the next week to talk things over.

Q How about the Interstate Commerce Commission appointment?

THE PRESIDENT: I have not thought of it.

Q Mr. President, we have reports from Chicago that in that city they have eight thousand old-time saloons and they are asking out there if, because of platform assurances about the old-time saloons, if the Administration is planning to take any cognizance of that fact, as the Mayor and Governor are doing nothing.

THE PRESIDENT: I don't think I can say anything further than I have said before. I have the same suggestion from Missouri and other states.

Q There has been a lot of talk about sending a Spanish cruiser down to Cuba. Have you had anything from foreign sources?

THE PRESIDENT: I have not seen a word. I have had nothing from the State Department up to seven o'clock last night.

Q Can we say anything about how you feel about it?

(The President indicated a negative answer.)

Q The latest reports say that Madrid denied that a cruiser was being sent.

THE PRESIDENT: You did. (Laughter)

Q We will have a pretty good A.P. story on this soon. (Mr. Stephenson said this, having in mind Mr. Storm's query, which had been predicated on U.P. reports.)

Q (Mr. Boettiger) The St. Lawrence Treaty is the first order of business scheduled by the Clerk for the Senate to be taken up and I wondered if there was to be any change in the Treaty or action by the Administration to take care of a diversion of water at Chicago?

THE PRESIDENT: I do not think there is any news. I do not know whether I am going to send a Message. Of course I am for the St. Lawrence Waterway. As I understand it -- this is just a tip for you -- the Army Engineers have made some kind of a report on the amount of water necessary for navigation and sewage. You had better check up on that.

Q How do you stand for the Treaty in its present form?

THE PRESIDENT: I am not saying anything about it because I have not looked at it. The thing was referred to the War Department and then there is that fellow out in Chicago that I saw, the Mississippi Valley Chairman --

Q (interposing) Bob Randolph?

THE PRESIDENT: Randolph, yes. He was talking about it.

Q He came away thinking that you were going to obtain some sort of guarantee for Chicago.

THE PRESIDENT: It depends largely on engineering facts and that is why I suggest you get the War Department report first. I have only glanced at it and I have sent it over to Secretary Ickes, I think.

Q In general terms, does it require an increase in water over what was originally required?

THE PRESIDENT: I had only read the first page and I do not know.

Q Mr. President, Governor Gore of Puerto Rico was outside this morning and he said he was planning on seeing you.

THE PRESIDENT: I suppose I will. I did not know he was up.

Q He said he was going back to Puerto Rico and I said, "Are you going to stay there?" and he suggested that I ask you. (Laughter)

THE PRESIDENT: I have not seen him so I cannot tell you anything about it.

Q Can you tell us anything about George Peek's recommendations for regulation of foreign trade?

THE PRESIDENT: No, it is still in the preliminary form.

Q Have you in mind to say something to Congress on that?

THE PRESIDENT: We have not got as far as that yet. It is still too preliminary. We are checking about the general setup of handling foreign trade from the Government point of view.

Q Mr. President, do you care to talk about business conditions at the turn of the year? You suggested you would have something to say on that subject this week.

THE PRESIDENT: I do not think I had better because I see the old people who make predictions for the Sunday paper before New Years are at it again and of course they have been wrong so often I think they had better continue to be the goats. (Laughter)

Q Mr. President, is this Army Engineer report available to us now?

THE PRESIDENT: I do not know. You had better talk to Colonel Waite and the Secretary of the Interior and the Army about it. I do not know whether it is or not. As far as I am concerned, there is no reason why it should not be given out.

Q What are you taking up with Secretary Morgenthau this morning?

THE PRESIDENT: All sorts of things -- Budget.

Q How about taxes?

THE PRESIDENT: No, I do not think so; I think just Budget.

Q The Treasury Daily Statement over there shows a deficit now of about a billion dollars. Is that a true estimate of the condition? (Laughter)

THE PRESIDENT: What do you mean by "deficit"?

Q That is what I would like to know. That's what it shows.

THE PRESIDENT: Why, of course this year we are going away overboard -- a great deal more than that. All you have to do is to figure up the total appropriations of the last session of the old Congress plus the Special Session, total them all up, find out what the receipts are going to be from taxation, et cetera, and that will give you the deficit for the year. That deficit for the year is chargeable to recovery and it is very large. There is no news in that. That was created as a potential and fairly definite deficit the day that Congress adjourned.

Q It seems to imply that you expect the entire three billion three hundred million appropriated for Public Works will be spent by July first.

THE PRESIDENT: Oh, no. Now you are confusing it with what we will have to talk about when I have that little Conference next Tuesday about the Budget. Just for people who are really interested in financial stories, I think there might be a little Conference of thirty or forty who are interested in the financial picture and get down to simple facts, the way we used to do in Albany, so there won't be confusion in the writing of financial stories.

One of the things I would want to bring out when we talk next week on it is the difference between appropriations and expenditures. Well, just for example, the question you asked is a very good illustration. The last session of the Congress appropriated three billion three hundred million for Public Works. Now, of that total amount, a portion of it will be actually paid out by the Treasury during this fiscal year; a portion of it will be paid out by the Treasury next fiscal year, and a portion of it will be paid out in the fiscal year after that. That is shown by the Daily Balance Sheet of the Treasury that Steve (Mr. Stephenson) referred to. That is merely a daily balance sheet. After all, you can't go on daily balance sheets. What you have to go on is the obligation that the Government has created for itself. Now, the obligation was 3.3 and yet some of that amount won't be spent until probably the spring of 1936, which is a long ways off.

That is why I think it probably advisable not to write special stories on this today until we get this whole thing made perfectly clear the beginning of the week. The Treasury balance represents the amount of money actually paid out on the appropriations, but the obligation of the Government is far greater. We went overboard the last session of the previous Congress and the Special Session of this Congress -- we went way overboard. As I say, there is no news in that. We went overboard the day the appropriation bills were signed.

Q Can you tell us whether the revenue is meeting the current expenditures of the Government?

THE PRESIDENT: I haven't the report here. It is very close to it. That eliminates special expenditures.

Q Have you any definite estimate yet on what the deficit will be at the close of this fiscal year?

THE PRESIDENT: There again, what do you mean by deficit? The money actually spent or the money obligated?

Q Actually spent. You said several weeks ago that you would not be able to estimate within a billion dollars yet.

THE PRESIDENT: Yes, that's right, but there again you have to take into consideration what kind of a deficit it is.

Q Mr. President, I understand that Mr. Quezon of the new Philippine Mission is arriving here tomorrow.

THE PRESIDENT: They are coming to lunch today.

Q Is there likely to be any new dealing with the Philippine problem in this session of Congress?

THE PRESIDENT: You are one jump ahead of the game. I do not know.

I have not seen them at all. We will probably talk at lunch about it.

Q Coming back to Peek for a moment, was that his own report or the report of the Executive Commercial Policy Committee headed by Phillips?

THE PRESIDENT: It was not a regular report. He talked with all the Committee; he sat with them and what he brought in yesterday was merely a graph of the setup --

Q (interposing) Including --

THE PRESIDENT: (interposing) It includes the tie-in -- the State Department, the Department of Commerce, Agriculture, et cetera.

Q It is a general summary of the picture at the moment?

THE PRESIDENT: It is only in graph form.

Q It includes the Executive Policy Committee's discussions?

THE PRESIDENT: Yes.

Q Anything on the Newspaper Code?

THE PRESIDENT: No, only Dave Stern's editorial in the New York Evening Post last night; I commend it to John Boettiger and, John, entirely off the record, I wish you would give a dare to Bert (referring to Bert McCormick) to reprint it. (Laughter)

Q You say that is off the record?

THE PRESIDENT: Yes.

Q (Mr. Boettiger) I will mail you a copy of that. (Laughter)

Q Do you care to discuss your ideas as to what part the Government should play in assisting railroads to refinance their 1934 maturities?

THE PRESIDENT: I am talking with Jesse Jones sometime this week. I do not know yet about the probable financial needs of the roads.

I do not think he has his final estimate on it yet. There is a good deal of refinancing, yes.

Q Their original estimate was $100,000,000. this year?

THE PRESIDENT: Yes.

Q Anything new on the sugar situation?

THE PRESIDENT: No, not yet.

Q Behave New Year's Eve.

THE PRESIDENT: Right.

Q Thank you, Mr. President.

CONFIDENTIAL
Press Conference #82
Executive Offices of the White House
December 29, 1933, 4.15 P.M.

THE PRESIDENT: Well, what is the news?

Q That is what we would like to know.

THE PRESIDENT: I think everything is all quiet. No message written yet, no budget message. We are still scribbling lots of figures and essays and so forth all over sheets of paper. I am living with sheets ofpaper.

Q What seems to be the trouble on that, Mr. President? (Laughter)

THE PRESIDENT: What?

Q Any trouble on this budget?

THE PRESIDENT: You can figure it out any way at all. You can make it come out ten billions plus or minus, depending on the way you sharpen your pencil. (Laughter) That is my present frame of mind.

Q Can you tell us anything about the conference this afternoon with General Johnson, Senator Nye and Senator Borah?

THE PRESIDENT: Oh, I think so. It was merely a preliminary conference to discuss some of the new problems which have been raised through the actual operation of NRA. We have had two worries, not only Senator Borah and Senator Nye, but General Johnson and myself. The two worries are that the operation of some of the codes may work out in such a way that big business will be benefited to the detriment of the little businesses. The other problem is that certain developments would tend to show that some industries believe that the Sherman Anti-trust Law principle has, in some mysterious way, been abolished by the NRA Act which, of course, is not so.

What we are seeking is the method of answering those two questions. The first is the adequate protection of the little fellow against the big fellow, and, secondly, the retaining of the principles of the Sherman Anti-trust Law.

That is about as far as we got. It was just a preliminary discussion as to how to go about it.

Q Will that lead to legislation or be largely administrative correction without legislation?

THE PRESIDENT: So far as the protection of the little fellow goes, it can probably be done administratively. So far as the clarification of the retention of the Sherman Anti-trust Law goes, we may have to make the language of NRA a little bit more clear by legislation.

Q Mr. President, does this first proposal contemplate taking more of the small retailers out than were taken out in this order that was put through some time ago? How do you intend to tackle that administrative problem?

THE PRESIDENT: Probably through the setting up of some better machinery for the protection of the little men. As I say, we haven't got to the details of it yet. We did discuss the possibility of some board that would act towards that problem in the same relative way as Senator Wagner's Board has functioned in regard to disputes between capital and labor.

Q Can you tell us what the disputes are between those two classes of business men? What is the dispute between the business men?

THE PRESIDENT: A lot of little fellows have thought that they might be forced out of business and we want to avoid that, and there will have to be somebody for them to go to.

Q Go to for modification of the code?

THE PRESIDENT: No, to go to to check up their particular case. In a great many cases, probably the majority, it would not involve modification of the code itself. It would be merely a question of saying what is a fair practice.

Q Mr. President, doesn't this bring up the inevitable fact that the operation of the NRA must drive the marginal producer or business man out of business?

THE PRESIDENT: That is a pretty broad subject and there is a lot in it. Well, the simplest way of putting it is to give an illustration. What are you going to do in the case of shoes? There are enough shoe factories in the country today to turn out 900 million pairs of shoes a year and we only wear about 325 million pairs of shoes a year. There is a certain limit to the number of shoes a human being can wear in the course of a year. What shall we do in case you decide to go into the shoe business tomorrow and start a brand new factory? You only complicate things. Well, those are the things we have not solved yet. Or suppose you have a thoroughly inefficient show, what are we going to do about it?

Q If I am a little fellow, a little inefficient fellow, I am going to be the fellow that comes to the Board.

THE PRESIDENT: You might be a big fellow. Inefficiency is not necessarily based on size. It is a tremendously interesting problem. We have not solved it yet.

Q On the same question, there has been some suggestion that the NRA Law might be broadened to give loans to industry through the mortgage companies or in some way. Has that been discussed?

THE PRESIDENT: That would not come under NRA anyway, it would come under RFC. No, we have not discussed that at all. Loans can be made today, under the present law, to mortgage companies.

Q Senator Wagner is said to have indicated that he is going to withdraw to resume his senatorial duties.

THE PRESIDENT: Mac (Mr. McIntyre) tells me that he is willing to carry on for the present until we can find his successor.

Q Have you a successor?

THE PRESIDENT: No.

Q Are you going to recommend legislation on the stock market?

THE PRESIDENT: I haven't done a thing about it. I believe a lot of people are looking it up and checking on it -- members of both Houses and the Commerce Committee and I don't know who else. There are lots of people checking on it.

Q Do you contemplate some legislation?

THE PRESIDENT: I cannot tell you because I haven't a thing on it as yet.

Q Have you considered a platform consideration of the tariff?

THE PRESIDENT: What?

Q The Democratic recommendation on a party basis -- platform basis?

THE PRESIDENT: It has been so long since I read it that I don't know what the platform said. But I think you can make a perfectly safe guess that there will be a recommendation or suggestion for some form of tariff legislation, form not yet disclosed.

Q Will that be a general revision?

THE PRESIDENT: I said, "form not yet disclosed."

Q In view of your speech last night, do you plan to send Davis back to Geneva in time for the opening of the Conference?

THE PRESIDENT: I haven't talked to Norman about that for a couple of weeks. Frankly, I don't know whether it is definite that they will go on then or adjourn again. Undoubtedly he will go back just as soon as they are going to have a regular session.

Q Mr. President, apart from the form of tariff recommended, how about reciprocal agreements?

THE PRESIDENT: That comes within the form. I cannot tell you yet.

Q Can you tell us whether you are preparing for it? Mr. Peek is.

THE PRESIDENT: No, Mr. Peek is preparing a different thing. Mr. Peek is working on an organization chart that will tie in all of the tariff agencies of the Government so that they will work together, which they never have done before. That chart is now being passed around for comment by the different agencies affected. They are the Tariff Commission, the State Department, the Department of Commerce, the Department of Agriculture and one or two others, I think.

Q Isn't he working also, at the present time, on the regulation of foreign trade and on tariff?

THE PRESIDENT: Yes, that all comes into the same thing.

Q Are you contemplating any suggestions to Congress in connection with the foreign debt situation?

THE PRESIDENT: I cannot tell you; you are premature.

Q We hear that organized labor has made a formal protest concerning the construction code.

THE PRESIDENT: Yes, they did, and we are having a hearing as soon as the message to Congress is out of the way -- some day next week.

Q Can you tell us what their protest is?

THE PRESIDENT: Just a general protest, just two or three paragraphs from Green in the form of a request for a hearing, which they will have.

Q Aside from the other things, have you had time to give any thought to the restoration of the pay-cut?

THE PRESIDENT: I have not had a report from the Department of Labor as yet.

Q I think it is due tomorrow.

Q There seems to be quite a lot of sentiment among the returning members of Congress with respect to some change in the provisions of the Economy Act affecting veterans. Can you give us your reaction to that?

THE PRESIDENT: The only thing I heard about it at all was when I had a visit from the Commander of the Legion a couple of weeks ago and he left a formal letter with me. I have not taken it up as yet.

Q Can you tell us whether you discussed with Senators Borah and Nye a proposition of either of them accepting a place on this Board that may possibly be created to discuss anti-trust legislation?

THE PRESIDENT: We only mentioned it casually. I think we are all agreed that they could not and should not -- no member of Congress should or could accept a place on an Administrative Board with powers.

But we also were in general agreement with the thought that Congress should, in some way, keep in touch with the administrative procedure from day to day and week to week through the year. In other words -- now this is off the record just so as to give you the thought in back of my head. It will be a great deal better for the government as a whole if Congress could keep in very close touch right straight through the year with the operations of the Administrative Branch of the Government. The custom in the past has been for Congress, every once in so often, to conduct an investigation which goes back two or three or four or five years. It doesn't do anybody any particular good because it would be a great deal better, if the Administration is doing anything it should not do, to have it known right away.

So, for a long time, I have been trying to work out some practical method of keeping the Congress in touch, day in and day out, with what the Administration is doing, so that there won't be an accumulation of things which may result, after a long period of years, in scandal or investigation. At the same time we could keep perfectly clear the separation of functions.

Some of you who were in Albany remember the drag-down knock-out fight I had four years ago ~~when~~ against the effort of the New York State Legislature to maintain, throughout the year, a control over the expenditures of appropriations. I had to carry it all the way up to the Court of Appeals. We lost in the two lower courts and won out by a unanimous opinion in the Court of Appeals saying that the Legislature had no right to control in any shape, manner or form, Executive functions. That does not mean that the Legislature hasn't the right and probably should have the actual practice of constantly inspecting Executive acts. That is a very different thing, as long as they do not tell the Executive how to carry out the Executive functions.

Q That is a board of Public Works Administration?

THE PRESIDENT: Practically every function of government.

Q How would that contact be maintained, through committees of Congress?

THE PRESIDENT: Probably through committees of Congress who will keep in touch throughout the year.

Q They have such in regard to Internal Revenue now.

THE PRESIDENT: Do they function?

Q Yes; right through the year.

MR. EARLY: Make it background.

THE PRESIDENT: All right; Steve says make it background.

Q It can be used as background?

THE PRESIDENT: Yes. In other words, if you use it, draw the distinction that we cannot have interference by the Legislature. After they once pass a law and appropriate the money, they have nothing more to say about its expenditure in an Executive way, but, at the same time, they have every right to go ahead and watch the operation of spending. It makes for frankness and public knowledge of government throughout the year.

Q Did you discuss that generally this afternoon?

THE PRESIDENT: No; just touched on it, that's all.

Q On that point of small businesses, when the President's agreements expire January 1st, will they be asked to sign up again?

THE PRESIDENT: You mean the blanket code?

Q Under the blanket code?

THE PRESIDENT: I have forgotten what the Proclamation said, but I think anybody who still flies the Blue Eagle would be automatically considered to have signed up.

Q Can you tell us anything on the action of the Senate silver bloc today in putting out a resolution demanding full and free coinage of gold and silver? It was put out by 27 Senators.

THE PRESIDENT: No, I have not heard of it at all.

Q Returning to Davis, in connection with his return to the

Disarmament Conference, may we report that his participation is going to be limited to armaments and not politics?

THE PRESIDENT: Right.

Q Can we assume that Davis will take a more active part in the discussion of land armaments?

THE PRESIDENT: On that, our position was made very, very clear last May. We have stated our proposition.

Q May I present the compliments of Colonel McCormick, and tell you that we are running Mr. Stern's editorial on the freedom of the press tomorrow morning.

THE PRESIDENT: No! (Laughter) I think that is perfectly grand.

Q On the subject of armaments, have you anything to say concerning the intention of the Navy Department to try to get Congressional authority for one hundred and two new vessels?

THE PRESIDENT: I never heard of it at all, except what I read in the papers. The Secretary of the Navy said nothing, the Assistant Secretary said nothing, and neither did the Chief of Operations.

Q They had nothing to say?

THE PRESIDENT: No.

Q Can you give us any enlightenment on the order yesterday on gold?

THE PRESIDENT: That order that was given out this morning?

Q Last night.

THE PRESIDENT: Henry Morgenthau told me it was a technical matter involved, which would probably mean that five millions in gold would come in. The order related only to about five millions of gold, and it required that order in order to bring it in.

Q It does not signify anything new?

THE PRESIDENT: No.

Q Can you tell us anything about the reactions to your speech last night, particularly from abroad?

THE PRESIDENT: Only the yellow slips that Steve (Early) brought in. I had better not comment. Perhaps Steve will tell you off the record what I said to him.

(The Press Conference adjourned at 4.35 P.M.)